

Commercial Property Certificate

Please read this documentation carefully to make sure it meets your needs.

This certificate is effected by on behalf of ERGO Versicherung AG

YOUR OBLIGATIONS

The **Insured** has an obligation before contracting for insurance, prior to renewal, making changes to the **Certificate** and during the currency of the insurance to disclose to **Underwriters** all material facts and not to misrepresent them. If the **Insured** fails to comply with this obligation, this may render the contract voidable from inception and/or from renewal.

Material facts are those which are relevant to the underwriting of the risk. They may be relevant either to the physical risk or to the financial, civil, criminal and insurance history of the **Insured** and persons connected with the insured entity. The **Insured** should have a system in place to ensure that all material facts are disclosed.

Should the **Insured** be in any doubt as to whether it has complied with this obligation and/or as to whether information is material then, without prejudice to **Underwriter's** right to avoid in this respect, the **Insured** should contact the **Insured's** broker or seller of the insurance without delay to see whether **Underwriters** are prepared to stay on risk and, if so, upon what terms. If the **Insured** is in doubt as to whether any particular information is material then the **Insured** should disclose it.

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INTRODUCTION

(forming part of the **Certificate**)

The **Proposal** or **Statement of Fact**, the **Certificate Schedule** (including any additional replacement **Certificate Schedule(s)**) and any endorsements, this **Introduction** and the **Certificate Wording** form the contract and should be read together (hereinafter collectively referred to as the '**Certificate**').

The **Certificate** is a legally binding contract which the **Insured** has made with **Underwriters**. It is based on the information which the **Insured** has provided in the **Proposal** or **Statement of Fact** or any other information which the **Insured** has provided.

This is to certify that authorisation has been granted to Commercial Express Quotes Ltd under Contract Numbers JRPCX1702B1021 - ERGO Versicherung AG (UK Branch) 50% for their proportion, UKBPY1700016 - AmTrust Europe Limited 30% for their proportion and JRPCX1702B3004 & JRPCX1702B3005 - Certain Underwriters at Lloyd's 20% for their proportion for sections 1-10.

In consideration of the payment by the **Insured** of the premium specified in the **Certificate Schedule Underwriters** agree (subject to the terms and conditions of the **Certificate**) to indemnify the **Insured** against **Damage** sustained or legal liability for accidents happening during the **Period of Insurance** specified in the **Certificate Schedule**.

Provided always that:-

- (i) The liability of the **Underwriters** shall not exceed the limits of liability expressed in the **Certificate Schedule** or such other limits of liability as maybe substituted by endorsement or attached hereto signed by or on behalf of **Underwriters**;
- (ii) This **Certificate** insures the **Insured** only in respect of the sections which are specified in the **Certificate Schedule**

Any dispute arising out of or in connection with the **Certificate** shall be subject to and construed solely in accordance with the Law of England and Wales. The **Underwriters** and the **Insured** agree that all disputes arising out of or in connection with the **Certificate** shall be subject to the exclusive jurisdiction of the Courts of England and Wales.

The written authority (which number is shown in the **Certificate Schedule**) allows your broker to sign and issue this **Certificate**).

For and on behalf of **Underwriters**:

Signed: _____
Authorised Signatory

Print: _____

Date: _____

Certificate Definitions

Wherever the following words and phrases appear in the **Certificate** they will always have the same meaning

Accounts Receivable

The total amount of the balances debited to **Customers** in the **Insured's** accounts and declared in the statement last given under the provisions of the *Premium Adjustment Clause* after equitable allowances have been made for bad debts and for amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the **Damage**) to **Customers** accounts in the period between the date of the said statement and the date of the **Damage**.

Annual Gross Rentals

The **Gross Rentals** during the 12 months immediately before the date of the **Damage** to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**.

Annual Gross Revenue

The **Gross Revenue** during the 12 months immediately before the date of the **Damage** to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**.

Annual Turnover

The **Turnover** during the 12 months immediately before the date of the **Damage** to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**.

Auditors Fees

Necessary and reasonable fees payable by the **Insured** to their auditors or professional accountants (being Auditors or Professional Accountants regularly acting as such for the **Insured** at the time the **Property Insured** was **Damaged**) for producing such particulars or details contained in the **Insured's** books of accounts or other business documents or such other proofs, information or evidence as may be required by the **Underwriters**.

Building(s)

The building(s) situated at the address(es) specified in the **Schedule** which include;

- a) landlord's fixtures and fittings
 - b) annexes, gangways, outbuildings and extensions tenants improvements for which the landlord is responsible under the terms of the lease or other agreement under which the property is let
 - c) outbuildings, extensions, annexes, canopies, fixed signs, gangways, conveniences, lamp posts and street furniture
 - d) walls, gates and fences
 - e) drains, sewers, piping, ducting, cables, wires and associated control gear and accessories on the **Premises** and extending to the public mains, but only to the extent of **Your** responsibility
 - f) yards, car parks, roads and pavements, forecourts, all constructed of solid materials
 - g) landscaping, excluding external ponds and lakes
- all belonging to the **Insured** or for which the **Insured** is legally responsible.

Business

The business specified in the **Schedule**.

Business Hours

The **Insured's** usual office hours and the working hours (including overtime) during which the **Insured** or any person entrusted by the **Insured** with the **Money** and **Non Negotiable Items** are on the **Premises** for the purpose of the **Business**.

Certificate

The entirety of the **Certificate** of insurance specified in the **Schedule** and/or contained in any and all endorsements or amendments forming part of the **Certificate** (whether or not such endorsements or amendments are agreed prior to the **Certificate** of insurance coming into force or at any time thereafter). All references to the terms of this **Certificate** shall be construed as references to the entire **Certificate**, including all terms, conditions, exclusions, **Sums Insured**, excesses, deductibles, limits, **Schedules**, endorsements, amendments and any other written contractual provisions that form part of the **Certificate**.

Certificate Definitions continued

Wherever the following words and phrases appear in the **Certificate** they will always have the same meaning

Conditions Precedent

The **Certificate** contains certain obligations with which the **Insured** must comply. These obligations are, each of them, **Conditions Precedent**. In the event that the **Insured** is in breach of a **Condition Precedent** at the time of a loss then **Underwriters** will have no obligation to indemnify the **Insured** in relation to any claim for that loss whether or not there is a causal connection between the loss, the claim and the breach.

Compensation

The amount payable under the appropriate item specified in the **Schedule**.

Computer Virus

A set of corrupting harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code programmatic or otherwise that propagate themselves through a computer system or network of whatsoever nature. **Computer Virus** includes but is not limited to "Trojan Horses" "worms" and "time or logic bombs".

Consequential Loss

Loss resulting from interruption of or interference with the **Business** carried on by the **Insured** at the **Premises** in consequence of loss or destruction of or **Damage** to property used by the **Insured** at the **Premises** for the purpose of the **Business**.

Customers

All customers of the **Insured** who obtain goods or services from the **Insured** on a credit basis.

Damage(d)

Except where expressly provided otherwise, loss, destruction or damage to the **Property Insured**.

This shall mean all individual losses or damage arising out of and directly occasioned by one event. However, if the following causes are insured by this Certificate the duration and extent of any one occurrence of Damage shall be limited to:

- a) 72 consecutive hours as regards a hurricane, a typhoon, windstorm, rainstorm, hailstorm and/or tornado;
- b) 72 consecutive hours as regards earthquake, tsunami or seaquake, and/or volcanic eruption;
- a) 72 consecutive hours and within the limits of one city, town or village as regards riots, civil commotions and malicious damage;
- d) 72 consecutive hours as regards any **Damage** which includes individual loss or losses from any of the causes mentioned in a), b) and c) above;

and no individual loss from whatever insured cause, which occurs outside these periods or areas, shall be included in any one occurrence of **Damage**.

The Insured may choose the date and time when any such period of consecutive hours commences and if any event is of greater duration than the above period, the Insured may divide that event into two or more occurrences of **Damage** provided no two periods overlap and provided no period commences earlier than the date and time of the happening of the first recorded individual loss to the Insured in that event during the Period of Insurance.

Death

Occurring within 12 months of **Injury** which is the sole and direct cause of death.

Defined Peril

The words **Defined Peril** shall mean fire, lightning, explosion, aircraft or other aerial devices or articles dropped there from, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons, theft, earthquake, storm, flood, overflowing or leaking of any sprinkler apparatus, escape of water from any tank, apparatus or pipe, impact by any road vehicle or animal, falling trees, branches and falling aerials.

Electronic Data

Facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

Certificate Definitions continued

Wherever the following words and phrases appear in the **Certificate** they will always have the same meaning

Employee(s)

- a) Any person under a contract of service or apprenticeship with the **Insured**
- b) Any person who is hired to or borrowed by the **Insured**
- c) Any person engaged in connection with a work experience or training scheme
- d) Any labour master or person supplied by him
- e) Any person engaged by labour-only sub-contractors
- f) Any self-employed person working on a labour only basis under the control or supervision of the **Insured**.
- g) Any voluntary helper;

while working for **You** in connection with the **Business**

Estimated Gross Profit

The amount declared by the **Insured** to **Underwriters** as representing not less than the **Gross Profit** which it is anticipated will be earned by the **Business** during the financial year most nearly concurrent with the **Period of Insurance** (or a proportionately increased multiple thereof where the **Maximum Indemnity Period** exceeds 12 months).

Estimated Gross Revenue

The amount declared by the **Insured** to **Underwriters** as representing not less than the **Gross Revenue** which it is anticipated will be earned by the **Business** during the financial year most nearly concurrent with the **Period of Insurance** (or a proportionately increased multiple thereof where the **Maximum Indemnity Period** exceeds 12 months).

Estimated Gross Rentals

The amount declared by the **Insured** to **Underwriters** as representing not less than the **Gross Rentals** which it is anticipated will be earned by the **Business** during the financial year most nearly concurrent with the **Period of Insurance** (or a proportionately increased multiple thereof where the **Maximum Indemnity Period** exceeds 12 months).

Excess

The first part of each and every loss which the **Insured** must bear after the application of any condition of average.

Glass

All fixed plain sheet or plain **Glass** in windows, doors, fanlights, skylights, partitions, furniture, display and show cases, counters or shelves or mirrored Glass fixed hand basins, lavatory bowls, bidets, shower trays and baths including lettering, embossing, beading, silvering or ornamental work at the **Premises** stated in the **Schedule**.

Gross Profit

The amount by which;

- a) the sum of the amount of the **Turnover** and the amounts of the closing stock and work in progress shall exceed
- b) the sum of the amount of the opening stock and work in progress and the amount of the **Uninsured Working Expenses**

The amounts of the opening and closing stocks (including work in progress) shall be arrived at in accordance with the **Insured's** usual accounting methods due provision being made for depreciation.

Gross Revenue

The money paid or payable to the **Insured** for services rendered in the course of the **Business** at the **Premises** less the amount of any **Uninsured Working Expenses**.

Gross Rentals

The money paid or payable to the **Insured** for tenancies and other charges and for services rendered in the course of the **Business** at the **Premises**.

Indemnity Period

The period beginning with the occurrence of the **Damage** and ending not later than the **Maximum Indemnity Period** thereafter stated in the **Schedule** during which the results of the **Business** shall be affected in consequence thereof.

Injury

Bodily injury, death, disease, illness or nervous shock.

Certificate Definitions continued

Wherever the following words and phrases appear in the **Certificate** they will always have the same meaning

Insured(s)/You

The firm, company or individual named in the **Schedule**.

Insured Person

Any director, manager or partner of the **Insured** or any **Employee** aged not less than 16 years or more than 70 years.

Licence

The Licence granted for the retail sale of excisable Liquor at the **Premises**.

Loss of Limb(s)

Physical severance or the total or permanent loss of use of one or both arms, hands, legs or feet resulting solely and directly from **Injury** within 12 calendar months of such **Injury**.

Loss of Sight

Total and irrecoverable loss of sight in one or both eyes.

Machinery, Plant and Equipment

Machinery, plant, equipment, fixtures, fittings, office machines and furniture and all other contents the property of the **Insured** or for which the **Insured** is legally responsible in the **Premises** specified in the **Schedule**. All other contents includes;

- a) documents, manuscripts and business books, but only for the value of the materials as stationery together with the cost of clerical labour actually expended in reinstatement and not for the value of the information contained therein, for an amount not exceeding GBP 2,500 in total
- b) computer systems records but only for the value of the recording hardware or blank media together with the cost of clerical labour actually expended in copying such records from back up or from originals of a previous generation and not for the value of the information contained therein, for an amount not exceeding GBP 10,000 in total. Copying costs will not include research or engineering or any costs of recreating, gathering or assembling data
- c) patterns, models, plans and designs, but only for the value of the materials together with the cost of labour expended in reinstatement and so far as the same are not otherwise insured, and not for the value of the information contained therein, for an amount not exceeding GBP 2,500 in total
- d) directors, **Employees**, visitors and customers personal effects, pedal cycles, tools, instruments and the like, for an amount not exceeding GBP 250 in total in respect of any one person.

Maximum Indemnity Period

As stated in the **Schedule**.

Medical Expenses

Necessary medical, hospital, surgical, manipulative, therapeutic and x-ray fees and nursing treatment, emergency dental and emergency optical charges incurred as a direct result of **Injury**. This shall be deemed to include the costs of medical supplies and ambulance hire.

Money

Current coinage, bank and currency notes, uncrossed cheques, giro cheques, bankers drafts, uncrossed postal and money orders, unexpired units in franking machines, unused postage and National Insurance stamps, business travel tickets, luncheon vouchers, trading stamps, holiday with pay stamps, gift vouchers and bills of exchange.

Non-Negotiable Items

Money consisting of crossed cheques, crossed national giro payment orders, crossed bankers' drafts, VAT purchase invoices, crossed postal orders, crossed money orders, national savings certificates, premium bonds, credit card and debit card vouchers and unused franking machine units.

Notifiable Disease

Illness sustained by any person resulting from any human infectious or human contagious disease (excluding Acquired Immune Deficiency Syndrome (AIDS) or an AIDS-related condition) an outbreak of which the competent local authority has stipulated shall be notified to them.

Outstanding Debit Balances

The total amount due to the **Insured** at the date of the **Damage** less bad debts.

Period of Insurance

The period of insurance specified in the **Schedule**

Certificate Definitions continued

Wherever the following words and phrases appear in the **Certificate** they will always have the same meaning

Permanent Total Disablement

The **Insured Person** being totally disabled solely and directly caused by **Injury** (not resulting in **Loss of Limb(s)** or **Loss of Sight**) and prevented from attending to his usual business or occupation with proof satisfactory to the **Underwriters** that such disablement has continued for one year from the date of the occurrence of **Injury** and will in all probability continue for the remainder of the **Insured Person's** life.

Premises

The Address(es) specified in the **Schedule**.

Property Insured

Except where expressly provided otherwise, the **Buildings, Stock, Machinery, Plant and Equipment** at the **Premises**, all as defined in these *General Definitions*, if and to the extent they are included as property insured in the **Schedule**.

Proposal

The signed Proposal form, Statement of Fact and any additional information supplied to the **Underwriters** by or on behalf of the **Insured**.

Rate of Gross Profit

The rate of **Gross Profit** earned on the **Turnover** during the financial year immediately before the date of the **Damage** to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**.

Rent

Periodic payments made by or to the **Insured** for the lease of the **Buildings** specified in the **Schedule**.

Schedule(s)

The **Schedule** specifying the terms and extent of this **Certificate**.

Standard Gross Rentals

The **Gross Rentals** during the period in the 12 months immediately before the date of the **Damage** which corresponds with the **Indemnity Period** to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**.

Standard Gross Revenue

The **Gross Revenue** during that period in the 12 months immediately before the date of the **Damage** which corresponds with the **Indemnity Period** to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**.

Standard Turnover

The **Turnover** during the period in the 12 months immediately before the date of the **Damage** which corresponds with the **Indemnity Period** to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**.

Stock

Stock, merchandise and materials in trade, including work in progress and packing materials belonging to the **Insured** or held by the **Insured** in trust or on commission and for which the **Insured** is legally responsible or for which the **Insured** has accepted liability in the **Premises** shown in the **Schedule**.

Sum Insured/Limit of Indemnity

The sum or limit specified in the **Schedule** as applying to the relevant Section of this **Certificate** or items insured.

Certificate Definitions continued

Wherever the following words and phrases appear in the **Certificate** they will always have the same meaning

Temporary Total Disablement

The **Insured Person** being totally disabled resulting solely and directly from **Injury** within 12 calendar months of such **Injury** and prevented from attending to his usual business or occupation for a period not exceeding 104 weeks.

Tenants Improvements

Improvements and decorations to the **Building(s)** specified in the **Schedule** for which the **Insured** is legally responsible.

Territorial Limits

Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.

Terrorism

An act, including but not limited to use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

Turnover

The money paid or payable to the **Insured** for goods sold and delivered and for services rendered in the course of the **Business** at the **Premises**.

Underwriters/We/Us

ERGO Versicherung AG

Uninsured Working Expenses

As stated in the Schedule.

Unoccupied

When the **Premises** are closed for **Business** for a period in excess of 7 consecutive days.

Section 1 – Material Damage – Specified Perils

Cover and Basis of Settlement

Underwriters agree that if, during the **Period of Insurance**, an item of **Property Insured** (other than **Stock**) at the **Premises** sustains **Damage** by any **Defined Peril** then **Underwriters** will pay to the **Insured**:-

- (i) Where reinstatement or replacement takes place in accordance with the terms of the Special Conditions set out below, the **Cost of Reinstatement**;
- (ii) Where reinstatement or replacement does not take place in accordance with the terms of the Special Conditions set out below an indemnity on the basis of the terms and conditions set out under **Indemnity basis of Settlement**

In respect of **Stock**, **Underwriters** agree that if, during the **Period of Insurance**, an item of **Stock** at the **Premises** sustains **Damage** by any **Defined Peril** they will pay to the **Insured** an indemnity on the basis of the terms and conditions set out under **Indemnity basis of Settlement**

Special Conditions

- i) **Underwriters'** liability for the repair or replacement of **Property Insured damaged** in part only shall not exceed the amount which would have been payable had such Property been wholly lost or destroyed.
- ii) No payment beyond the amount which would have been payable in the absence of this Reinstatement Basis of Indemnity shall be made:-
 - a. unless reinstatement commences and proceeds without unreasonable delay;
 - b. until the cost of reinstatement shall have been actually incurred;
 - c. if the **Property Insured** at the time of the **Damage** shall be insured by any other insurance effected by the **Insured** or on the **Insured's** behalf which is not upon the same basis of reinstatement.

Limit of Indemnity

Underwriters' liability in respect of all incidents of **Damage** to an item of **Property Insured** during the **Period of Insurance** shall be limited as follows:

- (i) If an individual **Sum Insured** is specified on the **Certificate Schedule** for that item, **Underwriters'** liability shall be limited to that **Sum Insured**;
- (ii) In any event, **Underwriters'** liability shall in no circumstances exceed, in the aggregate, the total **Sum Insured** for the category of **Property Insured** on the **Schedule** under which that item falls.

But:-

- (i) In the event that, at the time of **Damage** any **Buildings** are awaiting refurbishment, redevelopment or renovation, then **Underwriters** shall not be liable for any costs which would have been incurred by the **Insured** in the absence of such **Damage** as part of that work.
- (ii) In the event that, at the time of **Damage** any **Buildings** are the subject of an existing contract or order for demolition then **Underwriters'** liability shall be limited to **Removal of Debris**.

Excess

Underwriters will not indemnify the **Insured** for the amount of the **Excess** specified in the **Schedule**. The **Excess** shall not be reduced in the event that the **Average** clause applies to the **Insured's** claim.

Average

Each item insured under this Condition is declared to be separately subject to the following Condition of Average, namely;

If at the time of repair or rebuilding or replacement the **Cost of Reinstatement** which would have been incurred in reinstatement if the whole of the property by such item had been destroyed exceeds the **Sum Insured** thereon at the commencement of any **Damage** to such property then the **Insured** shall be considered as being their own insurer for the difference between the **Sum Insured** and the sum representing the **cost of reinstatement** of the whole of the property and shall bear a rateable proportion of the loss accordingly.

Definitions

For the purposes of this clause:-

Cost of Reinstatement means

- i) the rebuilding or replacement of property lost or destroyed which provided **Underwriters'** liability is not increased may be carried out
 - a. in any manner suitable to both the **Insured's** and **Underwriters'** requirements;
 - b. on another site.
- ii) the repair or restoration of property damaged in either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new.

Including an allowance for **Removal of Debris, European Community and Public Authorities, Architects Surveyors Legal and Consulting Engineers Fees**

Removal of Debris means

Costs and expenses necessarily incurred by the **Insured** with the consent of the **Underwriters** in;

- a) removing debris
- b) dismantling and/or demolishing
- c) shoring up or propping of the portions of the **Property Insured**
- d) clearing drains sewers and gutters at the **Property Insured**

as a result of **Damage** hereby insured against

The **Underwriters** will not pay for any costs or expenses;

- 1) incurred in removing debris except from the site of such property destroyed or **Damaged** and the area immediately adjacent to such site
- 2) arising from pollution or contamination of property not insured by this Section

European Community and Public Authorities means

Such additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with the Stipulations of;

- a) European Community Legislation or
- b) Building or other Regulations under or framed in pursuance of any Act of Parliament or Bye-Laws of any Public Authority (hereafter referred to as 'the Stipulations') which governs the construction, alteration and reinstatement of buildings.

Excluding;

- a) the cost incurred in complying with the Stipulations:-
 - i) in respect of **Damage** occurring prior to the granting of this **Certificate**
 - ii) in respect of **Damage** not insured by this Section
 - iii) under which notice has been served upon the **Insured** prior to the happening of the **Damage**
 - iv) for which at the time of **Damage** there is an existing requirement which has to be implemented within a given period
 - v) in respect of property entirely undamaged by any peril hereby insured against
- b) the additional cost that would have been required to make good the property lost destroyed or **Damaged** to a condition equal to its condition when new had the necessity to comply with the Stipulations not arisen
- c) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with the Stipulations.

Architects Surveyors Legal and Consulting Engineers Fees means

The reasonable cost of employing architects surveyors lawyers and consulting engineers in the reinstatement or repair of the **Property Insured** consequent upon its **Damage** but not for preparing any claim.

Indemnity Basis of Settlement

Underwriters agree that if, during the **Period of Insurance**, an item of **Property Insured** at the **Premises** sustains **Damage** by any **Defined Peril** then **Underwriters** will pay to the **Insured** the value of the property at the time of its loss or destruction or the amount of damage (whichever is less) or, at **Underwriters'** option, reinstate, repair or replace such property or any part of it.

The **Average** clause is amended to:

The **Sum Insured** by each item is separately declared to be subject to Average.

In the event that the **Sum Insured** for any such item shall, at the commencement of **Damage**, be less than the value of the property covered, then the amount payable by **Underwriters** shall be proportionately reduced.

Section 2 – Material Damage - All Risks

Cover and Basis of Settlement

Underwriters agree that if, during the **Period of Insurance**, an item of **Property Insured** (other than **Stock**) sustains **Damage** whilst situated at the **Premises** or anywhere within the **Territorial Limits** as specified in the **Schedule** then **Underwriters** will pay to the **Insured**:-

- (iii) Where reinstatement or replacement takes place in accordance with the terms of the Special Conditions set out below, the **Cost of Reinstatement**;
- (iv) Where reinstatement or replacement does not take place in accordance with the terms of the Special Conditions set out below an indemnity on the basis of the terms and conditions set out under **Indemnity basis of Settlement**

In respect of **Stock**, **Underwriters** agree that if, during the **Period of Insurance**, an item of **Stock** at the **Premises** or anywhere within the **Territorial Limits** as specified in the **Schedule** sustains **Damage** they will pay to the Insured an indemnity on the basis of the terms and conditions set out under **Indemnity basis of Settlement**

The liability of the **Underwriters** under this Section does not cover

- a. the amount of the **Excess** stated in the **Schedule**
- b. **Damage** to any property whatsoever or any loss or expense whatsoever resulting arising therefrom or any **Consequential Loss** directly or indirectly caused or contributed from
 - i) **Damage** caused by, or following upon, subsidence, collapse, landslip, ground heave, settling, cracking, shrinkage or expansion, of any building or foundation
 - ii) mechanical and/or electrical derangement and/or breakdown, breakage of valves filaments and the like, burning out or **Damage** directly caused by short circuiting, and/or claims arising from overheating
 - iii) **Damage** caused by moth, termites, vermin or insect, wear, tear, gradual deterioration, rust or oxidisation, rot, mould or mildew, inherent vice, latent defect, mysterious disappearance or unexplained shortage
 - iv) **Damage** caused by faulty manipulation, scratching or denting, or loss of magnetism and/or erasure of tapes, or faulty projection, shortage in weight, contamination, taint or insufficiency of insulation
 - v) breakage of articles of a brittle nature unless such breakage is caused by burglars, thieves, or fire, and/or breakage of glass, over winding or internal damage of clocks and/or watches
 - vi) loss by delay, loss of market, **Consequential Loss** of any and every description
 - vii) **Damage** which may be sustained whilst the **Property Insured** is being worked upon, or is under any process, and directly resulting there from
 - viii) **Damage** caused by climatic or atmospheric conditions or extremes of temperature
 - ix) infidelity or dishonesty by the **Insured** or any **Employee(s)**
 - x) **Damage** to aircraft, watercraft, vehicles, livestock, growing timber or crops, jewellery, furs, watches, precious metals/stones, money, documents, data or word-processing media or computer systems records
 - xi) **Damage** insured more specifically under any other Section or Sections of this Insurance, or any other Insurance

Special Conditions

- i) **Underwriters'** liability for the repair or replacement of **Property Insured damaged** in part only shall not exceed the amount which would have been payable had such Property been wholly lost or destroyed.
- ii) No payment beyond the amount which would have been payable in the absence of this Reinstatement Basis of Indemnity shall be made:-
 - a. unless reinstatement commences and proceeds without unreasonable delay;
 - b. until the cost of reinstatement shall have been actually incurred;
 - c. if the **Property Insured** at the time of the **Damage** shall be insured by any other insurance effected by the **Insured** or on the **Insured's** behalf which is not upon the same basis of reinstatement.

Limit of Indemnity

Underwriters' liability in respect of all incidents of **Damage** to an item of **Property Insured** during the **Period of Insurance** shall be limited as follows:

- (i) If an individual **Sum Insured** is specified on the **Certificate Schedule** for that item, **Underwriters'** liability shall be limited to that **Sum Insured**;
- (ii) In any event, **Underwriters'** liability shall in no circumstances exceed, in the aggregate, the total **Sum Insured** for the category of **Property Insured** on the **Schedule** under which that item falls.

But:-

- (i) In the event that, at the time of **Damage** any **Buildings** are awaiting refurbishment, redevelopment or renovation, then **Underwriters** shall not be liable for any costs which would have been incurred by the **Insured** in the absence of such **Damage** as part of that work.
- (ii) In the event that, at the time of **Damage** any **Buildings** are the subject of an existing contract or order for demolition then **Underwriters'** liability shall be limited to **Removal of Debris**.

Excess

Underwriters will not indemnify the **Insured** for the amount of the **Excess** specified in the **Schedule**. The **Excess** shall not be reduced in the event that the **Average** clause applies to the **Insured's** claim.

Average

Each item insured under this Condition is declared to be separately subject to the following Condition of Average, namely;

If at the time of repair or rebuilding or replacement the **Cost of Reinstatement** which would have been incurred in reinstatement if the whole of the property by such item had been destroyed exceeds the **Sum Insured** thereon at the commencement of any **Damage** to such property then the **Insured** shall be considered as being their own insurer for the difference between the **Sum Insured** and the sum representing the **cost of reinstatement** of the whole of the property and shall bear a rateable proportion of the loss accordingly.

Definitions

For the purposes of this clause:-

Cost of Reinstatement means

- i) the rebuilding or replacement of property lost or destroyed which provided **Underwriters'** liability is not increased may be carried out
 - a. in any manner suitable to both the **Insured's** and **Underwriters'** requirements;
 - b. on another site.
- ii) the repair or restoration of property damaged in either case to a condition equivalent to or substantially the same as but not better or more extensive than its condition when new.

Including an allowance for **Removal of Debris, European Community and Public Authorities, Architects Surveyors Legal and Consulting Engineers Fees**

Removal of Debris means

Costs and expenses necessarily incurred by the **Insured** with the consent of the **Underwriters** in;

- e) removing debris
- f) dismantling and/or demolishing
- g) shoring up or propping of the portions of the **Property Insured**
- h) clearing drains sewers and gutters at the **Property Insured**

as a result of **Damage** hereby insured against

The **Underwriters** will not pay for any costs or expenses;

- 1) incurred in removing debris except from the site of such property destroyed or **Damaged** and the area immediately adjacent to such site
- 2) arising from pollution or contamination of property not insured by this Section

European Community and Public Authorities means

Such additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with the Stipulations of;

- a) European Community Legislation or
- b) Building or other Regulations under or framed in pursuance of any Act of Parliament or Bye-Laws of any Public Authority (hereafter referred to as 'the Stipulations') which governs the construction, alteration and reinstatement of buildings.

Excluding;

- a) the cost incurred in complying with the Stipulations:-
 - i) in respect of **Damage** occurring prior to the granting of this **Certificate**
 - ii) in respect of **Damage** not insured by this Section
 - iii) under which notice has been served upon the **Insured** prior to the happening of the **Damage**
 - iv) for which at the time of **Damage** there is an existing requirement which has to be implemented within a given period
 - v) in respect of property entirely undamaged by any peril hereby insured against
- b) the additional cost that would have been required to make good the property lost destroyed or **Damaged** to a condition equal to its condition when new had the necessity to comply with the Stipulations not arisen
- c) the amount of any charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with the Stipulations.

Architects Surveyors Legal and Consulting Engineers Fees means

The reasonable cost of employing architects surveyors lawyers and consulting engineers in the reinstatement or repair of the **Property Insured** consequent upon its **Damage** but not for preparing any claim.

Indemnity Basis of Settlement

Underwriters agree that if, during the **Period of Insurance**, an item of **Property Insured** at the **Premises** sustains **Damage** by any **Defined Peril** then **Underwriters** will pay to the **Insured** the value of the property at the time of its loss or destruction or the amount of damage (whichever is less) or, at **Underwriters'** option, reinstate, repair or replace such property or any part of it.

The **Average** clause is amended to:

The **Sum Insured** by each item is separately declared to be subject to Average.

In the event that the **Sum Insured** for any such item shall, at the commencement of **Damage**, be less than the value of the property covered, then the amount payable by **Underwriters** shall be proportionately reduced.

Material Damage Extensions

(The following clauses are applicable to Sections 1 & 2)

Repairs and Alterations

Joiners and other tradesmen may be employed to effect **Renovation** in the **Premises** without prejudice to the insurance hereby

Reinstatement of Sum Insured Clause

In the event of loss the **Sum Insured** by this Section will be automatically reinstated from the date of the loss unless written notice is given to the contrary either by the **Underwriters** or by the **Insured** and the **Insured** undertake to pay such necessary premiums as may be required for such reinstatement from that date.

Services Clause

The insurance by each item of **Property Insured** extends to cover telephones, gas, water and electric instruments, meters, piping, cabling and accessories including similar property in the adjoining yards and roadways or underground (and pertaining to any **Building** insured by this section), all belonging to the **Insured** or for which the **Insured** is responsible.

Temporary Removal Clause

The **Property Insured** by this Section (other than **Stock** if insured) is covered whilst temporarily removed for cleaning renovation repair or similar purposes elsewhere than at the **Premises** and in transit thereto and there from all within the **Territorial Limits**.

Underwriters liability under this clause in respect of each item of this Section for any **Damage** occurring elsewhere than at the **Premises** shall not exceed £50,000.

This clause does not apply to;

- a) property insofar as it is otherwise insured
- b) property temporarily removed to motor vehicles and motor chassis licensed for normal road use
- c) property removed for more than 90 consecutive days unless **Underwriters** agree a longer period in writing.

In addition to the **Sums Insured** stated in the **Schedule**, **Underwriters** will pay the following:

Additional Metered Water Charges Clause

Additional metered water charges incurred by the **Insured** as a result of **Damage** except those in respect of any loss which has not been discovered and remedial action taken within 30 days of the occurrence of the **Damage** provided that the maximum amount payable under this Clause in any one **Period of Insurance** shall not exceed GBP 5,000.

Capital Additions Clause

Subject to its terms and conditions;

- a) any newly acquired and/or newly erected buildings or buildings in course of erection (excluding any property for which a building contractor is responsible) insofar as the same are not otherwise insured
- b) alterations, additions and improvements to buildings but not in respect of any appreciation in value

anywhere in the United Kingdom provided that;

- i) at any one situation this cover shall not exceed 10% of the **Sum Insured** by this Section but in no case exceeding GBP 1,000,000
- ii) the **Insured** undertakes to give particulars of such extension of cover as soon as practicable and in any event within 6 months of any newly acquired and/or newly erected buildings or alterations, additions and improvements to buildings and to effect specific insurance thereon retrospective to the date of the commencement of the **Underwriters** liability
- iii) the provisions of this extension shall be fully maintained notwithstanding any specific insurance effected under (ii) above.

Extinguishment and Alarm Resetting Expenses Clause

The reasonable costs incurred by the **Insured** in refilling fire extinguishing appliances, replacing used sprinkler heads and resetting fire or intruder alarms as a result of **Damage** to the **Property Insured**.

Unauthorised Use of Utilities Clause

The cost of metered electricity, gas or water for which the **Insured** are legally responsible arising from its unauthorised use by persons taking possession keeping possession or occupying the **Property Insured** without the **Insured's** authority provided that the **Insured** shall take all practical steps to terminate such unauthorised use as soon as it is discovered and provided further that the maximum amount payable under this Clause shall not exceed in any one **Period of Insurance** GBP 10,000.

Material Damage Conditions

(The following conditions are applicable to Sections 1 & 2)

Machinery Maintenance Clause

In respect of any vessel, machinery or apparatus or its contents belonging to or under the control of the **Insured** which is required to be examined to comply with any Statutory Regulations cover against **Damage** caused by an explosion thereof is subject to the provision that such vessel, machinery or apparatus shall be the subject of a certificate or contract providing the required inspection service and evidence of said vessel, machinery or apparatus having been maintained within the last 12 months.

Mortgagees and Other Interests

The interest of the Leaseholder(s), Mortgagee(s) and Tenant(s) in the individual portions of the **Property Insured** to which their interest applies is noted such interest to be advised to the **Underwriters** in the event of a claim. In addition, if, without the knowledge of the Mortgagee(s) or in circumstances that are beyond their control, there is a change in the use of the **Premises** which constitutes an increase in the risk of **Damage**, cover under this **Certificate** shall not be prejudiced provided that the **Insured** or Mortgagees shall immediately on becoming aware thereof give notice in writing to the **Underwriters** and on demand pay such reasonable additional premium as the **Underwriters** may require.

Portable Items Clause

It is a condition precedent to liability in respect of theft or malicious damage that;

- a) when any **Property Insured** is left unattended inside any road vehicle:-
 - i) the vehicle is securely locked and all security devices set in operation
 - ii) the vehicle is kept in a locked building of substantial construction or guarded security park between the hours of 9pm and 6am
 - iii) the **Property Insured** is concealed from view. If in a saloon car in a boot or under the parcel shelf of any hatchback/estate subject to the **Underwriters** liability not exceeding GBP 2,500 any one occurrence
- b) when the **Property Insured** is in transit by air it is carried as hand luggage
- c) when the **Property Insured** is in transit by sea it is not left unattended unless kept in a securely locked road vehicle or cabin.

Subrogation Waiver Clause

In the event of a claim arising under this Section the **Underwriters** agree to waive any rights, remedies or relief to which they might have become entitled by subrogation against;

- a) any company standing in relation of Parent to Subsidiary (Subsidiary to Parent) to the **Insured** as defined in the Companies Act or the Companies (N.I.) Order as appropriate current at the time of **Damage**
- b) any company which is a subsidiary of a Parent Company of which the **Insured** are themselves a Subsidiary in each case within the meaning of the Companies Act or the Companies (N.I.) Order as appropriate current at the time of **Damage**
- c) any tenant provided that;
 - i) the **Damage** did not result from a criminal fraudulent or malicious act of the tenant and
 - ii) the tenant contributes to the cost of insuring the **Property Insured** against the event which caused the **Damage**.

Unoccupied Buildings Clause

- a) Whenever the **Property Insured** by this Section is **Unoccupied** the Unoccupancy Conditions as set out in the Certificate Conditions will apply
- b) The **Underwriters** must be notified in writing immediately if any **Unoccupied** building or **Unoccupied** portion of a **Building** insured hereby becomes occupied or any occupied building becomes **Unoccupied** and a suitable extra premium paid if required.

If the **Insured** fails to comply with this Condition, this **Certificate** shall be terminated with immediate effect

Value Added Tax

To the extent that the **Insured** are registered with and accountable to or should, according to the applicable laws at the time, be registered with and accountable to the tax authorities for Value Added Tax all terms in this Section shall be exclusive of such tax.

Section 3 - Glass

Breakage of **Glass** at the **Premises** as specified in the **Schedule** including;

- a) The reasonable cost of boarding up rendered necessary by such breakage
- b) The reasonable cost of repairing or replacing window frames and framework consequent upon the breakage of **Glass**
- c) The reasonable cost of refitting alarm foil consequent upon the breakage of **Glass**

The liability of the **Underwriters** under this Section does not cover;

- a) The amount of the **Excess** specified in the **Schedule**
- b) **Consequential Loss** of any kind or description except as stated herein to the contrary
- c) Any breakage arising directly or indirectly from: -
 - i) alterations or repairs to the **Premises** or occurring whilst the **Premises** are empty or not in use
 - ii) defects in frames, framework or other fittings

Provided that the liability of **Underwriters** shall not exceed the **Sum Insured** stated in the **Schedule** at the time of the **Damage**.

Section 4 – Deterioration of Stock

Damage to foodstuffs the property of the **Insured** or held by the **Insured** in trust or on commission or for which they are responsible whilst at the **Premises** contained in the refrigerating units specified in the **Schedule**, by deterioration, contamination or putrefaction caused by or arising from;

- a) rise or fall in temperatures as a result of: -
- i) the breaking, distortion or burning out of any part of the unit (including its own wiring terminating at and including the plug and fuse) arising from mechanical or electrical defects in the unit occurring whilst the unit is being used under normal working conditions
 - ii) non-operation of the thermostatic or automatic controlling devices forming part of the unit
 - iii) accidental failure of the public supply of electricity not occasioned by the deliberate act of any supply authority
- b) Accidental leakage of refrigerant or refrigerant fumes from the unit which occurs during the **Period of Insurance**.

It is a condition precedent to liability that any unit which at the commencement of any **Period of Insurance** is more than 5 years old must be the subject of a regular maintenance agreement with a suitably qualified engineer and there must be evidence of the unit having been maintained within the last 12 months.

It is a condition precedent to liability that the **Damage** shall be certified by the issue of a Condemnation Certificate by the relevant authority under current legislation.

The liability of the **Underwriters** under this Section does not cover;

- a) **Damage** resulting from: -
- i) failure of the public supply services which do not exceed 30 consecutive minutes
 - ii) failure of the public supply services due to any deliberate act of a public supply undertaking not performed for the sole purpose of safeguarding life or protecting any part of the public supply undertakings systems or any scheme of rationing not necessitated solely by accidental damage to the public supply undertaking's generating or supply equipment
 - iii) wear and tear, deterioration or gradually developing flaws or defects in the refrigerating unit or incorrect setting of thermostats and automatic controls
- b) The amount of the **Excess** specified in the **Schedule**.

Section 5 – Money and Assault

Sub-Section 1 – Money and Non Negotiable Items

The **Underwriters** agree to the extent and in the manner provided herein to indemnify the **Insured** for amounts not exceeding the limits and **Sum Insured** stated in the **Schedule** against;

- a) **Damage to Non Negotiable Items** from any cause
- b) **Damage to Money** from any cause whilst:
 - i) in the **Premises** outside **Business Hours** not contained in locked safes or strongrooms
 - ii) in the private residence of the **Insured** or any authorised partner, director or **Employee** of the **Insured**
 - iii) in the **Premises** outside **Business Hours** contained in locked safes or strongrooms described in the **Schedule**
 - iv) on the **Premises** during **Business Hours**
 - v) whilst in transit or bank night safe
 - vi) in a gaming, amusement or vending machine
- c) **Damage** caused by thieves to safes and strongrooms (as described in the **Schedule**), stamp franking machines, approved security cases, bags or waistcoats containing the **Non Negotiable Items** and **Money** insured hereby occurring during the **Period of Insurance**.

It is a condition precedent to liability that;

- a) any till or cash register on the **Premises** shall be left open and unlocked outside of **Business Hours**
- b) a daily record be kept of all **Money** in transit and on the **Premises** and that such record shall be deposited in a safe place other than in the safes or place containing the **Money**
- c) outside of **Business Hours** the safes and strongrooms are kept locked and the keys of the safes and strongrooms are not left on the **Premises**.

It is a condition precedent to liability that where **Money** in excess of GBP 2,500 is in transit the items will be escorted as follows:

<u>Amount in Transit</u>	<u>Minimum Escort</u>
GBP 2,500 – GBP 5,000	2 able bodied and responsible Insured Persons
GBP 5,001 – GBP 7,500	3 able bodied and responsible Insured Persons
GBP 7,501 – GBP 10,000	4 able bodied and responsible Insured Persons
GBP 10,001 and over	Approved Security Company

The liability of the **Underwriters** under Sub-Section 1 does not cover;

- a) Shortages due to clerical or accounting errors
- b) **Damage** due to the fraud or dishonesty of any person employed by the **Insured**:-
 - i) not discovered within 7 working days of its occurrence
 - ii) more specifically insured by any other insurance or insurances except in respect of any loss beyond the amount payable under such other insurance or insurances
- c) **Damage to Money** and or **Non Negotiable Items** from:-
 - i) vending or gaming machines unless specifically stated in the **Schedule**
 - ii) unattended vehicles
 - iii) any unattended room in the **Premises** during **Business Hours** for an amount exceeding GBP 500 unless in a locked desk or cupboard, strong box or safe with keys removed from the room
- d) **Damage** arising elsewhere than in the **Territorial Limits**
- e) The amount of any applicable **Excess** specified in the **Schedule**.

Section 5 – Money and Assault

Sub-Section 2 - Assault

In the event of **Injury** to an **Insured Person** as a direct result of assault, robbery or hold up or any attempt thereat at the **Premises** or whilst carrying **Money** relating to the **Business**, then the **Underwriters** will pay the **Compensation** specified in the **Schedule** in respect of the following;

- a) **Death**
- b) **Loss of Sight**
- c) **Loss of Limb(s)**
- d) **Permanent Total Disablement**
- e) **Medical Expenses**
- f) **Temporary Total Disablement.**

The **Compensation** payable in respect of **Temporary Total Disablement** shall not exceed the **Insured Person's** weekly remuneration from the **Insured**.

It is a condition precedent to liability that;

- 1) In the event of any **Injury**, the **Insured Person** must place themselves under the care of a fully qualified medical practitioner and act upon such medical or surgical advice as is given as soon as practicable
- 2) The **Insured** shall notify the **Underwriters** within 7 days of the incident giving rise to the claim providing all necessary details and obtain at his or her own expense any medical report(s) as may be required by the **Underwriters**
- 3) The **Insured Person** shall at the **Underwriters** request submit themselves to medical examination at the **Underwriters** expense as often as they deem necessary
- 4) No **Compensation** shall be payable until the period of Disablement has been determined and (where Temporary) ceased
- 5) Notwithstanding anything to the contrary in 4) above, **Underwriters** may at their discretion pay any **Compensation** due at intervals in arrears
- 6) **Compensation** will only be paid by **Underwriters** on production of a medical certificate or other such written evidence from a qualified medical practitioner.

The liability of the **Underwriters** under Sub-Section 2 does not cover;

- i) Under more than one item of a) to d) above in connection with the same incident, except that if any personal **Injury** is payable under item d) it shall be deducted from any amount subsequently paid under items a) b) or c)
- ii) For **Death Injury Permanent Total Disablement** or **Temporary Total Disablement** caused or contributed to or arising from any pre-existing defect infirmity illness or disease

Section 6 – Goods in Transit

For the purposes of this Section only, "Property Insured" shall be defined as goods whether contained in one or a number of parcels, packages or containers or in bulk sent at one time in one load from one address to another, such goods being the property of the **Insured** or for which the **Insured** is legally responsible.

The **Underwriters** will by payment or at their option by reinstatement, replacement or repair indemnify the **Insured** against **Damage** from any cause not specifically excluded which occurs during the **Period of Insurance** to the **Property Insured** whilst;

- a) conveyed by or in charge of a carrier for the purpose of transportation by him
- b) conveyed by or temporarily housed upon a vehicle or trailer owned or operated by the **Insured**
- c) loaded on to or unloaded from the means of conveyance as described in a) or b) above
- d) delivered to or collected from the carrier
- e) conveyed by any vehicle or trailer (whether belonging to the **Insured** or otherwise) to which goods or merchandise are transferred in order to complete a journey following breakdown of or accident to the original carrying vehicle

Provided that the liability of the **Underwriters** shall not exceed the **Limits of Liability** stated in the **Schedule**.

The **Underwriters** will also pay;

- 1) Additional costs necessarily incurred in:-
 - i) transferring the **Property Insured** to another conveyance and/or delivering / returning such property to its original destination / place of dispatch if any vehicle is disabled as a result of an accident
 - ii) re-loading on to any vehicle any of the **Property Insured** fallen from such vehicle
 - iii) removing debris consequent upon **Damage** to any of the **Property Insured** up to an amount not exceeding GBP 1,000 for any one event, such amount being included within the **Limit of Liability** and not in addition thereto.
- 2) For **Damage** which occurs to:-
 - i) Sheets, tarpaulins, ropes, toggles, chocks, chains, skips and trolleys whilst carried in the course of transit by any vehicle up to an amount not exceeding GBP 1,000 any one loss but excluding the first GBP 50 of each and every loss
 - ii) personal property belonging to an **Insured Person** whilst carried in any vehicle conveying **Property Insured** up to an amount not exceeding GBP 150 any one person but excluding the first GBP 25 of each an every loss such amounts being included within the **Limit of Liability** and not in addition thereto.

It is a condition precedent to liability that;

The **Insured** must take all reasonable precautions to prevent **Damage** by:-

- a) maintaining vehicles in an efficient and roadworthy condition and ensuring that they are suitable for the purpose for which they are to be used
- b) exercising reasonable care in the selection of **Employees** obtaining references and in providing instruction to and supervision of **Employees** packaging and labelling and addressing the **Property Insured**
- c) complying with regulations imposed by any lawful authority.

Section 6 – Goods in Transit continued

The liability of the **Underwriters** under this Section does not cover;

- a) **Damage** resulting from theft or attempted theft from any unattended vehicle or trailer unless: -
- i) all doors, windows and other points of access have been closed and locked and any security devices correctly set to operate and all keys to doors, ignition or other services removed
 - ii) after last business transit of the day until collected by the driver for the next business transit, the vehicle is housed in a securely locked building of substantial construction or a compound which has secure walls and/or fences and securely locked gates.
- b) **Damage to:** -
- i) coins, bank notes, treasury notes, stamps and cheques, securities, bills of exchange, promissory notes
 - ii) deeds, bonds, documents, manuscripts, business books, computer system records
 - iii) patterns, models, moulds, plans or designs
 - iv) furs, jewellery, precious stones, precious metals or bullion
 - v) livestock
 - vi) explosives or goods of a dangerous nature
 - vii) property dispatched on FOB terms
 - viii) property conveyed in a refrigerated, frozen, chilled or insulated condition as a result of deterioration due to any variation in temperature unless as a result of an accident to the vehicle or trailer
- unless otherwise stated in the **Schedule** to this Section.
- c) **Damage due to:** -
- i) wear and tear, gradual deterioration, contamination, depreciation, inherent vice or nature of the **Property Insured**
 - ii) normal atmospheric conditions where the **Property Insured** is on an open vehicle or trailer unless such property shall have been adequately and properly protected
 - iii) mechanical / electrical breakdown, failure or derangement unless exterior damage first occurred to the **Property Insured**
 - iv) delay, loss of market inventory, shortages, mysterious or unexplained disappearances or any **Consequential Loss** of any kind
 - v) packing which was inadequate to withstand normal handling during transit
 - vi) theft or attempted theft of goods from open backed, soft sided or soft topped vehicles or trailers
 - vii) the dishonesty of any person to whom goods have been entrusted
- d) The amount of the **Excess** specified in the **Schedule**.

Section 7 – Loss of Licence

In the event of a **Licence** granted in respect of the **Premises** for the sale by retail of excisable liquors (the **Licence**) becoming suspended or forfeited under the provisions of the appropriate legislation governing such licences or refused renewal after due application for such renewal to the appropriate authority at any time during the **Period of Insurance** such suspension forfeiture or refused renewal being occasioned by reasons beyond the control of the **Insured**, the **Underwriters** will pay or make good to the **Insured** all loss that the **Insured** shall sustain in respect of;

- a) the depreciation in value of the interest of the **Insured** in the **Premises** and loss of **Gross Revenue** by the suspension, forfeiture of or refusal to renew the **Licence** up to an amount not exceeding the **Sum Insured** stated in the **Schedule**
- b) in addition, the costs and expenses incurred by the **Insured** with the written consent of the **Underwriters** in connection with any appeal against the suspension, forfeiture of or refusal to renew the **Licence**.

It is a condition precedent to liability that;

- a) if the **Insured** shall be entitled to obtain the payment of compensation under the provisions of any statute or statutory instrument or regulation in respect of the suspension of forfeiture of or refusal to renew the **Licence** no claim shall arise under this Section
- b) in the event of the death, bankruptcy, incapacity, desertion of the **premises** or conviction (for any offence where such conviction affects the character or reputation of the convicted person with respect to his honesty, moral standing or sobriety) of the tenant manager, occupier or **Licence** holder the **Insured** shall where practicable and at the request of the **Underwriters** procure a suitable person to replace him and one to whom the Justices will transfer the **Licence** or grant the **Licence** by way of renewal
- c) if the suspension of, forfeiture of or refusal to renew the **Licence** be occasioned wholly or partly by or through the misconduct or procurement or connivance or neglect or omission of the **Insured** or by any omission of the **Insured** to take any step necessary for keeping the **Licence** in force, no claim shall arise under this Insurance unless the **Insured** or any other claimant hereunder shall prove to the reasonable satisfaction of the **Underwriters** that such matter was beyond his or their power or control
- d) The **Insured** shall on becoming aware of any;
 - i) complaint against the **Premises** or the control thereof
 - ii) proceedings against or conviction of the **Licence** holder, manager, tenant or occupier of the **Premises** for any breach of licensing law or any matter whatsoever whereby the character or reputation of the person concerned is affected or called into question with respect to his honesty moral standing or sobriety
 - iii) transfer or proposed transfer of the **Licence**
 - iv) alteration in the purpose for which the **Premises** are used
 - v) objection to renewal or other circumstances which may endanger the **Licence** or renewal thereof immediately give notice thereof in writing to the **Underwriters** and supply such additional information and give such assistance as the **Underwriters** may reasonably require.
- e) If the suspension of forfeiture of or refusal to renew the **Licence** be occasioned wholly or partly by a criminal act of the owner, manager or **Employees**, no claim shall arise under this Insurance
- f) The **Insured** will not use any reference to the **Underwriters** hereon to promote his/her business.

For the purposes of this Section only the definition of the **Insured** is deemed to include the **Licence** holder.

The liability of the **Underwriters** under this Section does not cover the refused renewal suspension or forfeiture of the **Licence** arising directly or indirectly from any scheme of town or country planning improvement or redevelopment compulsory purchase or from any alteration of the law affecting the grant surrender, refusal to renew, suspension or forfeiture of licenses.

Section 8 - Computer

The following definitions apply for the purposes of this Section only

Accident

Shall mean;

- a) **Damage** insured under Sub-Sections 1 or 2 of this Section
- b) **Damage** recoverable under guarantee or under a maintenance, rental, hire or lease agreement on the **Computer Equipment** or **Portable Equipment**
- c) the accidental failure or fluctuation of the public supply of electricity at the terminal point of the supply undertaking's feed to the **Premises** from any cause not specifically excluded
- d) the accidental failure of any telecommunications system used in connection with the computer operations
- e) the accidental failure of the internal distribution wiring within the **Premises** for supply of electricity from mains to the **Computer Equipment** or **Portable Equipment** from any cause not specifically excluded.

Ancillary Equipment

Being all equipment solely for use with the **Computer Equipment** comprising air conditioning and cooling equipment, generating equipment, voltage regulating equipment, satellite and telecommunication links, computerised telephone exchanges, electronic access equipment and temperature and humidity recording equipment.

Computer Equipment

Being all equipment (including fixed disks and interconnected wiring) used for processing electronic data together with visual display units, printers and **Data Carrying Materials** but excluding;

- a) **Portable Equipment** away from the **Premises**
- b) equipment held as stock or customer equipment held in trust
- c) Facsimile and photocopying machines, digital cameras and similar machinery not associated with the processing of electronic data
- d) Any equipment controlling or monitoring any manufacturing process.

Data Carrying Materials

Being all current back-up disks, tapes or other materials but excluding fixed disks and paper records of any description.

Indemnity Period

The period beginning with the occurrence of the **Accident** and ending not later than the **Maximum Indemnity Period** thereafter during which the results of the **Business** shall be affected in consequence of the **Accident** provided that no liability shall attach in respect of;

- a) any loss where the period of interruption does not exceed 24 consecutive hours
- b) accidental failure of the public supply of electricity where the duration of such accidental failure does not exceed 30 consecutive minutes
- c) any period exceeding the length of time during which the **Business** would have been affected as a consequence of the **Accident** had no other loss or damage to the **Premises** in which the **Computer Equipment** or **Portable Equipment** is situated or the contents thereof occurred.

Maintenance Agreement

Shall mean a contract providing on-call remedial and/or corrective maintenance with all parts and labour at an inclusive cost.

Portable Equipment

Being personal computers, small micro computers and the like designed to be carried by hand used for processing electronic data but excluding any such **Computer Equipment** used solely at the **Premises**.

Section 8 – Computer continued

Sub-Section 1 – Damage to Computer Equipment

If **Damage** occurs to **Computer Equipment** and/or **Data Carrying Materials** whilst at any **Premises** the **Underwriters** will in accordance with the provisions of this Section pay to the **Insured** the amount of loss or at its option reinstate or replace such **Computer Equipment** and/or **Data Carrying Materials** provided that the **Underwriters** liability in any one **Period of Insurance** shall not exceed in respect of any items its **Sum Insured** or any stated **Limit of Indemnity** and in the whole the total **Sum Insured** all as stated in the **Schedule**.

In the event of the **Computer Equipment** being **Damaged** the basis upon which the amount payable is to be calculated shall be;

- a) where the **Computer Equipment** is **Damaged** to the extent that it cannot be economically repaired its replacement by similar **Computer Equipment** of similar capacity in a condition equal to but not better or more extensive than its condition when new. If it is impossible to replace **Computer Equipment** of similar capacity replacement will be by **Computer Equipment** of the next higher capacity
- b) where the **Computer Equipment** is damaged the repair of the **Damage** and the restoration of the **Damaged** portion of the **Computer Equipment** to a condition substantially the same as but not better or more extensive than its condition when new
provided that;
 - i) the work of reinstatement is commenced and carried out with reasonable despatch
 - ii) where the **Computer Equipment** is **Damaged** in part only the **Underwriters** liability shall not exceed the sum representing the cost which would have been paid if the **Computer Equipment** had not been wholly destroyed
 - iii) no payment shall be made until reinstatement costs have actually been incurred
 - iv) where for any reason a payment cannot be made in accordance with a) and b) above the liability of the **Underwriters** will be arrived at as if this basis of settlement had not been incorporated and shall be subject to the terms and conditions of the **Certificate**.

This **Certificate**, subject to its terms, conditions and exclusions is extended to include, within the **Sum Insured** and not in addition thereto:

Accidental Discharge of Gas Systems Extension

Costs incurred in refilling the cylinders of any gas flooding systems installed solely for the protection of the **Computer Equipment** arising out of the accidental discharge of such systems provided that the **Underwriters** liability shall not exceed GBP 10,000 any one occurrence.

Additional Computer Equipment Extension

Additional **Computer Equipment** acquired during the **Period of Insurance** up to a maximum of GBP 100,000 or 20% of the **Sum Insured** as specified under Sub-Section 1 of this Section whichever is the lower subject to the **Insured** notifying the **Underwriters** as soon as practicable and, in any event, at intervals of not more than 6 months and to effect specific insurance thereon retrospective to the date of the commencement of the **Insured's** responsibility.

Anti-Theft Devices Extension

Costs necessarily and reasonably incurred to repair or replace any anti-theft devices fitted to the **Computer Equipment** solely for the purpose of security consequent upon **Damage** provided that the **Underwriters** liability shall not exceed GBP 10,000 any one occurrence.

Debris Removal Extension

Costs necessarily and reasonably incurred in the removal of **Computer Equipment** consequent upon **Damage** provided that the **Underwriters** liability shall not exceed GBP 10,000 any one occurrence.

Incompatibility of Software/Programs Extension

Where **Damage** to the **Equipment** results in undamaged software/programs which are incompatible with the replacement **Computer Equipment** the **Underwriters** will at their option pay for either;

- a) necessary modifications to the replacement **Computer Equipment**
- b) the conversion of the undamaged software/programs into a format compatible with the replacement **Computer Equipment**

and the cost of replacing incompatible **Data Carrying Materials** where necessary provided that the **Underwriters** liability shall not exceed GBP 10,000 or the **Sum Insured** specified under Sub-Section 1 of this Section whichever is the lower.

The liability of the **Underwriters** under this Sub-Section does not cover;

- a) the amount of the **Excess** specified in the **Schedule**
- b) loss of use of the **Computer Equipment** or other **Consequential Loss** of liability of any nature whatsoever
- c) **Damage** recoverable under any guarantee or maintenance rental hire or lease agreement
- d) The cost of reinstating data whether recorded on disks tapes or otherwise

Section 8 – Computer continued

Sub-Section 1 – Damage to Computer Equipment continued

- e) **Damage to Computer Equipment** arising from its own breakdown or derangement.

Loss Prevention Measures Extension

Any reasonable costs incurred by the **Insured** to avoid or mitigate **Damage** which would otherwise be inevitable subject to the **Underwriters** liability not exceeding GBP 10,000 any one occurrence provided that;

- a) the impending **Damage** does not stem from any reasonable, foreseeable or gradually developing cause and the **Underwriters** are satisfied that **Damage** has been avoided or mitigated as a result of the measures taken
- b) the **Certificate** terms, exceptions and conditions shall apply as if **Damage** had occurred.

Repair Investigation Costs Extension

Where approved by **Underwriters** costs including consulting engineers fees necessarily and reasonably incurred in the reinstatement of the **Computer Equipment** consequent upon **Damage** but not for preparing any claim provided that the **Underwriters** liability shall not exceed GBP 10,000 any one occurrence.

Software/Programs Extension

The cost of reinstating software/programs in consequence of erasure, distortion or corruption occurring during the **Period of Insurance** and resulting directly from an identifiable cause.

Temporary Repairs and Expediting Costs Extension

In the event of **Damage** to the **Computer Equipment** additional expenses necessarily and reasonably incurred in making temporary repairs and/or expediting repairs provided that the **Underwriters** liability shall not exceed GBP 10,000 any one occurrence.

Section 8 – Computer continued

Sub-Section 2 – Damage to Portable Equipment

If **Damage** occurs to **Portable Equipment** within the territorial limits stated in the **Schedule** the **Underwriters** will in accordance with the provisions of this Section pay to the **Insured** the amount of loss or at their option reinstate or replace such **Portable Equipment** provided that the **Underwriters** liability in any one **Period of Insurance** shall not exceed in respect of any items its **Sum Insured** or any stated **Limit of Indemnity** and in the whole the total **Sum Insured** all as stated in the **Schedule**.

In the event of the **Portable Equipment** being **Damaged** the basis upon which the amount payable is to be calculated shall be;

- a) where the **Portable Equipment** is **Damaged** to the extent that it cannot be economically repaired its replacement by similar **Portable Equipment** of similar capacity in a condition equal to but not better or more extensive than its condition when new. If it is impossible to replace **Portable Equipment** of similar capacity replacement will be by **Portable Equipment** of the next higher capacity
- b) where the **Portable Equipment** is damaged the repair of the **Damage** and the restoration of the **Damaged** portion of the **Portable Equipment** to a condition substantially the same as but not better or more extensive than its condition when new
provided that;
 - i) the work of reinstatement is commenced and carried out with reasonable despatch
 - ii) where the **Portable Equipment** is **Damaged** in part only the **Underwriters** liability shall not exceed the sum representing the cost which would have been paid if the **Portable Equipment** had not been wholly destroyed
 - iii) no payment shall be made until reinstatement costs have actually been incurred
 - iv) where for any reason a payment cannot be made in accordance with a) and b) above the liability of the **Underwriters** will be arrived at as if this basis of settlement had not been incorporated and shall be subject to the terms and conditions of the **Certificate**.

Section 8 – Computer continued

Sub-Section 3 – Increased Cost of Working

This Sub-Section is applicable only where specifically included in the **Schedule**

The **Underwriters** will indemnify the **Insured** against interruption or interference to the computer operations of the **Business** in consequence of the **Accident**.

The insurance is limited to increase in cost of working and the amount payable as indemnity shall be the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing interruption of or interference with the **Business** during the **Indemnity Period** stated in the **Schedule** in consequence of the **Accident** less any sum saved during the **Indemnity Period** in respect of such charges and expenses of the **Business** as may cease or be reduced in consequence of the **Accident**.

Cover extends to include;

- a) Professional Accountants Charges
- b) Additional Rental Charge
- c) Reinstatement of Data

To the extent that the **Insured** is accountable to the Tax Authorities for Value Added Tax all terms in this Sub-Section shall be exclusive of such Tax.

The amount payable under this Sub-Section in any one **Period of Insurance** shall not exceed the **Sum Insured** stated in the **Schedule**.

The liability of the **Underwriters** under this Sub-Section does not cover;

- a) interruption or interference to the computer operations of the **Business** due to:-
 - i) a deliberate act of the public electricity supply undertaking not performed for the sole purpose of safeguarding life or protecting any part of the supply undertaking's system
 - ii) a scheme of rationing not necessitated solely by accidental **Damage** to the public supply undertaking's generating or supply equipment
 - iii) intentional overloading or experiments involving the imposition of abnormal conditions
- b) interruption of or interference to the computer operations of the **Business** due to:-
 - i) the deliberate act of the telecommunication service exercising their right to withhold or restrict operation of the system
 - ii) the inability of this service to maintain the telecommunication services to customers due to industrial action by its employees
 - iii) the use of machinery and equipment not approved by the telecommunication service or not compatible with their system
 - iv) failure of any satellite prior to its obtaining its full operating function or while in or beyond the final year of its design life
 - v) atmospheric, solar or lunar conditions causing temporary interference with transmission to or from any satellite
- c) interruption or interference to the computer operations of the **Business** following breakdown or derangement of any item of the **Computer Equipment** or **Portable Equipment**
- d) the cost of reinstating data and/or programs whether recorded on disks tapes or otherwise.

Section 8 – Computer continued

Sub-Section 4 - Reinstatement of Data

This Sub-Section is applicable only where specifically included in the **Schedule**

The **Underwriters** will indemnify the **Insured** in respect of the necessarily and reasonably incurred cost of reinstating data contained in the **Data Carrying Materials** and/or fixed disks in consequence of accidental or malicious erasure, loss, destruction, distortion or corruption discovered during the **Period of Insurance** and resulting directly from an identifiable cause not otherwise excluded.

The total amount payable under this Sub-Section in any one **Period of Insurance** shall not exceed the **Sum Insured** stated on the **Schedule**.

Incompatibility of Data Extension

Where **Damage** to the **Computer Equipment** or **Portable Equipment** results in undamaged data which is incompatible with the replacement **Computer Equipment** or **Portable Equipment** the **Underwriters** will pay for the conversion of the undamaged data in to a format which is compatible with the replacement **Computer Equipment/Portable Equipment/Data Carrying Materials**.

Provided that the **Underwriters** liability shall not exceed GBP10,000.

The liability of the **Underwriters** under this Sub-Section does not cover;

- a) the amount of the **Excess** as specified in the **Schedule**
- b) a deliberate act of the public electricity supply undertaking not performed for the sole purpose of safeguarding life or protecting any part of the supply undertaking's system
- c) a scheme of rationing not necessitated solely by accidental damage to the public supply undertaking's generating or supply equipment
- d) the cost of reinstating data or programs on equipment used for teaching purposes in educational establishments.

Section 8 – Computer continued

The following Clauses apply to Sub-Sections 1-4

Additional Rental Charge Clause

If as a direct result of the **Accident** the lease/hire contract in force at the time of the **Accident** in respect of the **Computer Equipment** or **Portable Equipment** is cancelled and has to be replaced by a new lease/hire contract in respect of similar **Computer Equipment** or **Portable Equipment** to that lost or **Damaged** at a rental charge rate above that payable under the cancelled contract then the indemnity provided by Sub Section 3 extends to include the additional rental charges to be paid during the 2 years' period commencing from the time the **Business** is no longer affected by the **Accident** (other than by such additional rental charge) provided that the total liability of the **Underwriters** under this extension shall not exceed GBP 10,000, which amount is included within the **Sum Insured**.

Professional Accountants Charges Clause

Reasonable charges payable by the **Insured** to their professional accountants for producing such particulars proofs information or evidence required by *Claims – Insured's Duties* of the **Certificate** are included within the **Sum Insured**.

Protections Clause

It is a condition precedent to liability that the **Insured** shall take all reasonable precautions;

- a) to keep the **Computer Equipment** or **Portable Equipment** in a proper state of maintenance and repair
- b) to prevent **Damage** or loss of data and/or programs in storing data and/or software/programs and maintaining adequate back up copies of data and/or programs on the following basis:-
 - i) the original disks or media shall be backed up and stored in a fire resistant data safe or removed to another secure location away from the **Premises**
 - ii) in the event of a software manufacturer ceasing to trade and/or support for the software application being withdrawn then the software application will be considered obsolete and the **Underwriters** liability shall be restricted to no more than the last list price of the item subject to the **Sum Insured** as stated on the **Schedule**
 - iii) the data produced by the software/programs shall be backed up no less frequently than once every 7 days or any other period agreed by **Underwriters**. The integrity of the data backup should be verified using operating system routines or verification routines produced by the software supplier
 - iv) one copy of the backup shall be retained in a fire resistant data safe or be maintained in a different secure location away from the **premises**

and shall notify the **Underwriters** of changes which may materially alter or affect the risk.

Software/Program Security Devices Clause

If any software/program is copy protected by a security device such as a dongle then the **Underwriters** should be advised in writing and any such device shall be removed from the **Computer Equipment** or **Portable Equipment** and stored in a secure situation outside **Business Hours**.

Section 8 – Computer continued

The following Clauses apply to Sub-Sections 1-4

This **Certificate**, subject to its terms, conditions and exclusions is extended to include, within the **Sum Insured** and not in addition thereto:

Temporary Removal / Transit Extension

Damage to Computer Equipment, Ancillary Equipment and Portable Equipment used solely at the **Premises** whilst temporarily removed for maintenance or repair to other premises in the **Territorial Limits** or in transit thereto or there from subject to the **Sum Insured** as specified under Sub-Sections 1 and 2 of this Section.

Damage to Data Carrying Materials anywhere in the World.

Damage to Portable Equipment whilst removed to other premises anywhere in the European Union and in transit thereto and there from.

It is a condition precedent to liability in respect of theft or malicious damage that;

- a) when **Portable Equipment** is left unattended inside any road vehicle:-
 - i) the vehicle is securely locked and all security devices set in operation
 - ii) the vehicle is kept in a locked building of substantial construction or guarded security park between the hours of 9pm and 6am
 - iii) the **Portable Equipment** is concealed from view. If in a saloon car in a boot or under the parcel shelf of any hatchback/estate
- subject to the **Underwriters** liability not exceeding GBP 2,500 any one occurrence
- b) when the **Portable Equipment** is in transit by air it is carried as hand luggage
 - c) when the **Portable Equipment** is in transit by sea it is not left unattended unless kept in a securely locked road vehicle or cabin.

Trend of Business Clause

Adjustment for trend of the **Business** shall be made so that the figures represent the true results which but for the **Accident** would have been obtained during the relative period thereafter.

Section 9 – Business Interruption – Specified Perils

Applicable to all items other than any item on **Accounts Receivable**;

Underwriters agree that if any **Property Insured** suffers **Damage** by a **Defined Peril** and in consequence the **Business** be interrupted or interfered with then **Underwriters** will pay to the **Insured** in respect of each item in the **Schedule** the amount of loss resulting from such interruption or interference provided that:-

- a) at the time of the happening of the **Damage** there shall be in force an insurance covering the interest of the **Insured** in the **Property Insured** against such **Damage** and that:
 - i) payments shall have been made or liability admitted therefor or
 - ii) payment would have been admitted therefor but for the operation of a proviso in such insurance excluding liability for losses below a specified amount
- b) the liability of **Underwriters** under this Section shall not exceed:
 - i) in whole the total **Sum Insured** or in respect of any item its **Sum Insured** at the time of the **Damage**
 - ii) the **Sum Insured** remaining after deduction for any other interruption or interference consequent upon **Damage** occurring during the same **Period of Insurance** unless **Underwriters** shall have agreed to reinstate any such **Sum Insured**

Applicable to any item on **Accounts Receivable**;

Underwriters agree that if any of the **Insured's** books of account or other business books or records at the **Premises** be **Damaged** by a **Defined Peril** as to render it impossible for the **Insured** to obtain from **Customers** all the sums due to them and outstanding at the date of the **Damage** then **Underwriters** will pay to the **Insured** the amount they may be entitled to recover under the provisions of this Section provided the liability of **Underwriters** under this Section shall not exceed:

- a) in the whole the total **Sum Insured** or in respect of any item its **Sum Insured** at the time of the **Damage**
- b) the **Sum Insured** remaining after deduction for any other interruption or interference consequent upon **Damage** occurring during the same **Period of Insurance** unless **Underwriters** shall have agreed to reinstate any such **Sum Insured**

Section 10 – Business Interruption – All Risks

Applicable to all items other than any item on **Accounts Receivable**;

Underwriters agree that if any **Property Insured** suffers **Damage** and in consequence the **Business** be interrupted or interfered with then **Underwriters** will pay to the **Insured** in respect of each item in the **Schedule** the amount of loss resulting from such interruption or interference provided that:-

- a) at the time of the happening of the **Damage** there shall be in force an insurance covering the interest of the **Insured** in the **Property Insured** against such **Damage** and that:
 - i) payments shall have been made or liability admitted therefor or
 - ii) payment would have been admitted therefor but for the operation of a proviso in such insurance excluding liability for losses below a specified amount
- b) the liability of **Underwriters** under this Section shall not exceed:
 - i) in whole the total **Sum Insured** or in respect of any item its **Sum Insured** at the time of the **Damage**
 - ii) the **Sum Insured** remaining after deduction for any other interruption or interference consequent upon **Damage** occurring during the same **Period of Insurance** unless **Underwriters** shall have agreed to reinstate any such **Sum Insured**

Applicable to any item on **Accounts Receivable**;

Underwriters agree that if any of the **Insured's** books of account or other business books or records at the **Premises** be **Damaged** as to render it impossible for the **Insured** to obtain from **Customers** all the sums due to them and outstanding at the date of the **Damage** then **Underwriters** will pay to the **Insured** the amount they may be entitled to recover under the provisions of this Section provided the liability of **Underwriters** under this Section shall not exceed:

- a) in the whole the total **Sum Insured** or in respect of any item its **Sum Insured** at the time of the **Damage**
- b) the **Sum Insured** remaining after deduction for any other interruption or interference consequent upon **Damage** occurring during the same **Period of Insurance** unless **Underwriters** shall have agreed to reinstate any such **Sum Insured**

The liability of the **Underwriters** under this Section does not cover **Consequential Loss** arising directly from theft or attempted theft.

Business Interruption Clauses

(The following clauses apply in respect of Sections 9 & 10)

Alternative Trading Clause

If during the **Indemnity Period** goods shall be sold accommodation provided or services shall be rendered elsewhere than at the **Premises** for the benefit of the **Business** either by the **Insured** or others on the **Insured's** behalf the money paid or payable in respect of such sales accommodation or services shall be brought into account in arriving at the **Turnover Gross Revenue** or **Gross Rentals** during the **Indemnity Period**.

Automatic Reinstatement of Sum Insured Clause

In the event of loss the **Sum Insured** by this Section will be automatically reinstated from the date of the loss unless written notice is given to the contrary either by **Underwriters** or by the **Insured**. The **Insured** undertakes to pay such necessary premiums as may be required for such reinstatement from that date.

Fines, Damages and Liabilities Clause

The **Underwriters** shall not be liable for any loss due to fines, penalties, damages or liabilities incurred by the **Insured**.

Infectious Diseases Clause

The Insurance by this Section is extended to include within the **Sum Insured** loss as insured hereunder directly resulting from interruption of or interference with the **Business** carried on by the **Insured** at the **Premises** in consequence of;

- a) **Notifiable Disease** manifested by any person whilst at the **Premises**
- b) an outbreak of a **Notifiable Disease** within 25 miles of the **Premises**
- c) murder or suicide occurring at the **Premises**
- d) injury or illness sustained by any guest arising from, or traceable to, foreign or injurious matter in food or drink provided on the **Premises**
- e) closing of the whole or part of the **Premises** by the order or on the advice of a competent Public Authority as a result of: -
 - i) defects in the drains or other sanitary arrangements in the **Premises**
 - ii) the **Premises** becoming infested with vermin or pests

For the purpose of this clause, Indemnity Period means the period during which the results of the **Business** shall be affected in consequence of the **Damage** beginning: -

- 1) in respect of a), b), c) and d) above, with the occurrence or discovery of the incident
- 2) in the case of e) above, with the date from which the restrictions on the **Premises** are applied and ending not later than 3 months thereafter

The maximum amount payable shall not exceed in respect of any one loss 10% of the **Sum Insured** or GBP 25,000 which ever is the lesser amount.

Business Interruption Clauses continued

(The following clauses apply in respect of Sections 9 & 10)

New Business Clause

For the purpose of any claim arising from **Damage** occurring before the completion of the first years trading of the **Business** at the **Premises** the terms **Rate of Gross Profit**, **Annual Turnover**, **Standard Turnover**, **Annual Gross Revenue**, **Standard Gross Revenue**, **Annual Gross Rentals** and **Standard Gross Rentals** shall bear the following meanings and not as stated in the *General Definitions*;

Rate of Gross Profit

The **Rate of Gross Profit** earned on the **Turnover** during the period between the date of the commencement of the **Business** and the date of the **Damage** to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**

Annual Turnover

The proportional equivalent for a period of 12 months of the **Turnover** realised during the period between the commencement of the **Business** and the date of the **Damage** to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**

Standard Turnover

The proportional equivalent for a period equal to the **Indemnity Period** of the **Turnover** realised during the period between the commencement of the **Business** and the date of the **Damage** to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**

Annual Gross Revenue

The proportional equivalent for a period of 12 months of the **Gross Revenue** realised during the period between the commencement of the **Business** and the date of the **Damage** to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**

Standard Gross Revenue

The proportional equivalent for a period equal to the **Indemnity Period** of the **Gross Revenue** realised during the period between the commencement of the **Business** and the date of the **Damage** to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**

Annual Gross Rentals

The proportional equivalent for a period of 12 months of the **Gross Rentals** realised during the period between the commencement of the **Business** and the date of the **Damage** to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**

Standard Gross Rentals

The proportional equivalent for a period equal to the **Indemnity Period** of the **Gross Rentals** realised during the period between the commencement of the **Business** and the date of the **Damage** to which such adjustments shall be made as may be necessary to provide for the trend of the **Business** and for variations in or other circumstances affecting the **Business** either before or after the **Damage** or which would have affected the **Business** had the **Damage** not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the **Damage** would have been obtained during the relative period after the **Damage**

Business Interruption Clauses continued

(The following clauses apply in respect of Sections 9 & 10)

Payments on Account Clause

Payments on account may be made to the **Insured** monthly during the **Indemnity Period** if desired.

Premium Adjustment Clause

- a) The premium paid hereon may be adjusted on receipt by **Underwriters** of a declaration **Gross Profit, Gross Revenue or Gross Rentals** earned during the financial year most nearly concurrent with the **Period of Insurance** as reported by the **Insured's** auditors

If any incident shall have occurred giving rise to a claim for loss of **Gross Profit, Gross Revenue or Gross Rentals** the above mentioned declaration shall be increased by **Underwriters** for the purpose of premium adjustment by the amount by which the **Gross Profit, Gross Revenue or Gross Rentals** was reduced during the financial year solely in consequence of the **Damage**

If either declaration (adjusted as provided for above and proportionately increased where the **Maximum Indemnity Period** exceeds 12 months) is less than the **Sum Insured** on **Gross Profit, Gross Revenue or Gross Rentals** for the relative period of insurance the **Underwriters** will allow a pro rata return of premium not exceeding 50% of the premium paid

Accountants may be substituted for Auditors in respect of companies exempt from credit requirements

- b) It is a condition precedent to liability where Accounts Receivable are insured by this Section that the **Insured** shall within 30 days of the end of each month deposit with **Underwriters** a signed statement showing the total amount of the balance in the **Insured's** accounts debited to **Customers** and remaining unpaid as at the end of the said month

In the event of the average amount of the said signed statements during any annual **Period of Insurance** being less than the **Sum Insured** by the item on **Accounts Receivable** a pro rata return of premium not exceeding 50% of the premium paid on such **Sum Insured** for such **Period of Insurance** will be made in respect of the difference.

Prevention of Access Clause

Subject to the conditions of this Section loss resulting from interruption of or interference with the **Business** in consequence of **Damage** to property in the vicinity of the **Premises**, which **Damage** shall prevent or hinder the use of the **Premises** or access thereto whether the **Premises** or **Property Insured** therein shall be **Damaged** or not (but excluding **Damage** to property of any supply undertaking from which the **Insured** obtain electricity, gas or water or telecommunications services which prevents or hinders the supply of such services) shall be deemed to be **Damage**.

Professional Accountants Clause

Any particulars or details contained in the **Insured's** books of account or other business books or documents which may be required by **Underwriters** under part (c) of *Claims – Insured's Duties* for the purpose of investigating or verifying any claim hereunder may be produced by professional accountants if at the time they are regularly acting as such for the **Insured** and their report shall be prima facie evidence of the particulars and details to which such report relates

Underwriters will pay to the **Insured** the reasonable charges payable by the **Insured** to their professional accountants for producing such particulars or details or any other proofs, information or evidence as may be required by **Underwriters** under part (c) of *Claims – Insured's Duties* and reporting that such particulars or details are in accordance with the **Insured's** books of account or other business books or documents

provided that the sum of the amount payable under this Clause and the amount otherwise payable under the Section shall in no case exceed the liability of **Underwriters** as stated.

Specified Suppliers

The premises of those suppliers which are detailed in the **Schedule**.

Specified Customers

The premises of those customers which are detailed in the **Schedule**.

Uninsured Working Expenses Clause

If any working expenses of the **Business** be not insured by this Section (having been deducted in arriving at the **Gross Profit** as defined herein) then in computing the amount recoverable hereunder as Increase in Cost of Working that proportion only of any additional expenditure shall be brought into account which the **Gross Profit** bears to the sum of the **Gross Profit** and the Uninsured Working Expenses.

Unspecified Customers Clause

The Insurance by this Section is extended to include within the **Sum Insured** and not in addition thereto, loss as insured hereunder directly resulting from interruption of or interference with the **Business** at the premises of any of the **Insured's Customers** situated within the **Territorial Limits**. Provided that the maximum amount payable shall not exceed in respect of any one loss 10% of the **Sum Insured** or GBP 25,000 whichever is the lesser amount.

Business Interruption Clauses continued

(The following clauses apply in respect of Sections 9 & 10)

Unspecified Suppliers and Storage Sites Extension

The Insurance by this Section is extended to include within the **Sum Insured** and not in addition thereto, loss as insured hereunder directly resulting from interruption of or interference with the **Business** at the premises of any of the **Insured's** suppliers, manufacturers or processors of components, goods or materials, but excluding the premises of any supply undertaking from which the **Insured** obtains electricity, gas or water or telecommunication services and premises not in the occupation of the **Insured** where property of the **Insured** is stored situated within the **Territorial Limits**. Provided that the maximum amount payable shall not exceed in respect of any one loss 10% of the **Sum Insured** or GBP 25,000 whichever is the lesser amount

Business Interruption Special Clauses

(The following clauses apply in respect of Sections 9 & 10 and are applicable only if specified in the Schedule)

BI1 – Gross Profit/Estimated Gross Profit Basis of Loss Settlement

The insurance under this item is limited to loss of Gross Profit due to;

- i) reduction in **Turnover** and
 - ii) Increase in Cost of Working
- and the amount payable as indemnity thereunder shall be:-
- a) in respect of reduction in **Turnover** the sum produced by applying the **Rate of Gross Profit** to the amount by which the **Turnover** during the **Indemnity Period** shall fall short of the **Standard Turnover** in consequence of the **Damage**
 - b) in respect of Increase in Cost of Working the additional expenditure (subject to the provisions of the *Uninsured Working Expenses Clause*) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Turnover** which but for that expenditure would have taken place during the **Indemnity Period** in consequence of the **Damage** but not exceeding the sum produced by applying the **Rate of Gross Profit** to the amount of the reduction thereby avoided

less any sum saved during the **Indemnity Period** in respect of such of the charges or expenses of the **Business** payable out of **Gross Profit** as may cease or be reduced in consequence of the **Damage** provided that if the **Sum Insured** by the item on **Gross Profit** be less than the sum produced by applying the **Rate of Gross Profit** to the annual **Turnover** (or to a proportionately increased multiple thereof where the **Maximum Indemnity Period** exceeds 12 months) the amount payable shall be proportionately reduced.

BI2 – Gross Revenue/Estimated Gross Revenue Basis of Loss Settlement

The insurance under this item is limited to;

- i) loss of **Gross Revenue** and
 - ii) Increase in Cost of Working
- and the amount payable as indemnity thereunder shall be:-
- a) in respect of loss of **Gross Revenue** the amount by which **Gross Revenue** during the **Indemnity Period** shall fall short of the **Standard Gross Revenue** in consequence of the **Damage**
 - b) in respect of Increase in Cost of Working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Gross Revenue** which but for that expenditure would have taken place during the **Indemnity Period** in consequence of the **Damage** but not exceeding the amount of the reduction in **Gross Revenue** thereby avoided

less any sum saved during the **Indemnity Period** in respect of such of the charges or expenses of the **Business** payable out of **Gross Revenue** as may cease or be reduced in consequence of the **Damage** provided that if the **Sum Insured** by the item on **Gross Revenue** be less than the **Annual Gross Revenue** (or a proportionately increased multiple thereof where the **Maximum Indemnity Period** exceeds 12 months) the amount payable shall be proportionately reduced.

BI3 – Additional Increased Cost of Working Basis of Loss Settlement

The insurance under this item is limited to such further additional expenditure beyond that recoverable under paragraph (b) of any of the above items insured hereby as the **Insured** shall necessarily and reasonably incur during the **Indemnity Period** in consequence of the **Damage** for the sole purpose of avoiding or diminishing a reduction in **Turnover** or **Gross Revenue**.

BI4 – Increase in Cost of Working Basis of Loss Settlement

The insurance under this item is limited to Increase in Cost of Working and the amount payable as indemnity thereunder shall be the additional expenditure necessarily and reasonably incurred by the **Insured** in consequence of the **Damage** in order to prevent or minimise the interruption to the **Business** during the **Indemnity Period** provided that **Underwriters** shall not be liable for more than 50% of the **Sum Insured** during the first 3 months of the **Indemnity Period** and the balance in equal proportions monthly thereafter.

Business Interruption Special Clauses continued

(The following clauses apply in respect of Sections 9 & 10 and are applicable only if specified in the Schedule)

BI5 – Gross Rentals/Estimated Gross Rentals Basis of Loss Settlement

The insurance under this item is limited to;

- i) loss of **Gross Rentals** and
 - ii) Increase in Cost of Working
- and the amount payable as indemnity thereunder shall be:-
- a) in respect of loss of **Gross Rentals** during the **Indemnity Period** which fall short of the **Standard Gross Rentals** in consequence of the **Damage**
 - b) in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in **Gross Rentals** which but for that expenditure would have taken place during the **Indemnity Period** in consequence of the **Damage** but not exceeding the amount of the reduction in **Gross Rentals** thereby avoided

less any sum saved during the **Indemnity Period** in respect of such of the expenses and charges payable out of **Gross Rentals** as may cease or be reduced in consequence of the **Damage** provided that if the item on **Gross Rentals** be less than the **Annual Gross Rentals** (or a proportionately increased multiple thereof where the **Maximum Indemnity Period** exceeds 12 months) the amount payable shall be proportionately reduced.

BI6 – Accounts Receivable Basis of Loss Settlement

The insurance under this item is limited to;

- i) loss of **Accounts Receivable** and
 - ii) additional expenditure
- and the amount payable as indemnity thereunder shall be:-
- a) in respect of loss of **Accounts Receivable** the difference solely due to the **Damage** between the amount of the **Accounts Receivable** at the date of the **Damage** and the total amount received in payment of them during the 12 months after the **Damage**
 - b) in respect of additional expenditure the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of **Accounts Receivable** which but for that expenditure would have occurred in consequence of the **Damage** but not exceeding the amount which would otherwise have been payable under (a) above

provided that if at the time of the **Damage** the **Sum Insured** by this item be less than the total amount of the **Accounts Receivable** the amount payable shall be proportionately reduced.

BI7 – Deposit Premium Clause

The first and annual premiums are provisional being 75% of the premiums payable at the commencement of the **Period of Insurance** with the balance of 25% to be paid within 6 months of expiry of that period except that in respect of any item on **Gross Profit, Gross Revenue** or **Gross Rentals** the premium paid shall be adjusted on receipt by **Underwriters** of a declaration of **Gross Profit, Gross Revenue** or **Gross Rentals** earned during the financial year most nearly concurrent with the year of insurance as reported by the **Insured's** auditors

Accountants may be substituted for Auditors in respect of companies exempt from audit requirements

If any **Damage** shall have occurred giving rise to a claim for loss of **Gross Profit, Gross Revenue** or **Gross Rentals** the above mentioned declaration shall be increased by **Underwriters** for the purpose of premium adjustment by the amount by which the **Gross Profit, Gross Revenue** or **Gross Rentals** was reduced during the financial year solely in consequence of the **Damage**.

If the declaration (adjusted as provided for above and proportionately increased where the **Maximum Indemnity Period** exceeds 12 months);

- a) is less than 75% of the **Sum Insured** on **Gross Profit, Gross Revenue** or **Gross Rentals** for the relative period **Underwriters** will allow a pro rata return of premium not exceeding 33.33% of the provisional premium paid
- b) is greater than 75% of the the **Sum Insured** on **Gross Profit, Gross Revenue** or **Gross Rentals** for the relative period the **Insured** shall pay a pro rata additional premium not exceeding 33.33% of the provisional premium paid

In the event that no declaration is received within 6 months of the expiry of the **Period of Insurance** the balance of 25% shall be paid

Part (a) of the *Premium Adjustment Clause* is deleted.

Business Interruption Special Clauses continued

(The following clauses apply in respect of Sections 9 & 10 and are applicable only if specified in the Schedule)

B18 – Declaration Linked Clause

- a) The **Insured** shall prior to each renewal furnish **Underwriters** with the **Estimated Gross Profit, Estimated Gross Revenue or Estimated Gross Rentals** as insured hereby for the financial year most nearly concurrent with the ensuing year of insurance
- b) The first and annual premiums in respect of each item on **Estimated Gross Profit, Estimated Gross Revenue or Estimated Gross Rentals** as insured hereby are provisional and are based on the **Estimated Gross Profit, Estimated Gross Revenue or Estimated Gross Rentals**

The **Insured** shall provide **Underwriters** not later than 6 months after the expiry of each **Period of Insurance** with a declaration confirmed by the **Insured's** auditors of the **Gross Profit, Gross Revenue or Gross Rentals** earned during the financial year most nearly concurrent with the **Period of Insurance**

Accountants may be substituted for Auditors in respect of companies exempt from audit requirements

If any **Damage** shall have occurred giving rise to a claim for loss of **Gross Profit, Gross Revenue or Gross Rentals** the above mentioned declaration shall be increased by **Underwriters** for the purpose of premium adjustment by the amount by which the **Gross Profit, Gross Revenue or Gross Rentals** was reduced during the financial year solely in consequence of the **Damage**.

If the declaration (adjusted as provided above and proportionately increased where the **Maximum Indemnity Period** exceeds 12 months);

- i) is less than the **Estimated Gross Profit, Estimated Gross Revenue or Estimated Gross Rentals** as insured hereby for the relative **Period of Insurance** the **Underwriters** will allow a pro rata return of the premium paid on the **Estimated Gross Profit, Estimated Gross Revenue or Estimated Gross Rentals** as insured hereby but not exceeding 50% of such premium
- ii) is greater than the **Estimated Gross Profit, Estimated Gross Revenue or Estimated Gross Rentals** as insured hereby for the relative **Period of Insurance** the **Insured** shall pay a pro rata addition to the premium paid on the **Estimated Gross Profit, Estimated Gross Revenue or Estimated Gross Rentals** as insured hereby
- c) Notwithstanding proviso (b) of Sections 9 and 10 the liability of **Underwriters** shall in no case exceed in respect of **Gross Profit, Gross Revenue or Gross Rentals** 133.33% of the **Estimated Gross Profit, Estimated Gross Revenue or Estimated Gross Rentals** stated herein and in respect of each other item 100% of the **Sums Insured** by the said items or such other amounts as may be substituted therefore by memorandum signed by or on behalf of **Underwriters**

Part (a) of the *Premium Adjustment Clause* is deleted.

B19 – Temporary Cover

The first premium has been calculated to take into account the cost of temporary cover (in accordance with particulars lodged with **Underwriters**) pending issue of this Section.

Certificate Exclusions

The following Exclusions apply to the entire **Certificate** unless otherwise stated

Contamination and Pollution Exclusion Clause

1. This **Certificate** shall not cover any loss or **Damage** due to contamination, soot, deposition, impairment with dust, chemical precipitation, poisoning, epidemic and disease including but not limited to foot and mouth disease, pollution, adulteration or impurification or due to any limitation or prevention of the use of objects because of hazards to health.
2. This Exclusion does not apply if such loss or **Damage** arises out of one or more of the following perils;
 - i) Fire, lightning, explosion, impact of aircraft
 - ii) vehicle impact, sonic boom
 - iii) accidental escape of water from any tank, apparatus or pipe
 - iv) riot, civil commotion, malicious damage
 - v) storm, hail
 - vi) flood inundation
 - vii) earthquake
 - viii) landslide, subsidence
 - ix) pressure of snow, avalanche
 - x) volcanic eruption
3. All other terms and conditions of this **Certificate** shall be unaltered and especially the exclusions shall not be superseded by this clause.

Electronic Data Endorsement

- 1) Electronic Data Exclusion
Notwithstanding any provision to the contrary within this **Certificate** or any endorsement thereto, it is understood and agreed as follows;
 - a) The **Underwriters** shall not be liable for any loss, damage, destruction, distortion, erasure, corruption or alteration of **Electronic Data** from any cause whatsoever (including but not limited to **Computer Virus**) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting there from regardless of any other cause or event contribution concurrently or in any other sequence to the loss.
Electronic Data means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.
Computer Virus means a set of corrupting harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code programmatic or otherwise that propagate themselves through a computer system or network of whatsoever nature. **Computer Virus** includes but is not limited to "Trojan Horses" "worms" and "time or logic bombs".
 - b) However, in the event that a peril listed below results from any matters described in the above paragraph, this **Certificate** subject to all its terms conditions and exclusions will cover physical damage occurring during the **Period of Insurance** to the **Property Insured** by the original **Certificate** directly caused by such listed peril.

Listed Perils;

- i) Fire
 - ii) Explosion
- 2) Electronic Data Processing Media Valuation
Notwithstanding any provision to the contrary within the **Certificate** or any endorsement thereto, it is understood and agreed as follows;
Should electronic data processing media insured by this **Certificate** suffer physical loss or **Damage** insured by this **Certificate**, then the basis of valuation shall be the cost of the blank media plus the costs of copying the **Electronic Data** from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such **Electronic Data**. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However this **Certificate** does not insure any amount pertaining to the value of such **Electronic Data** to the **Insured** or any other party, even if such **Electronic Data** cannot be recreated gathered or assembled.

Certificate Exclusions continued

The following Exclusions apply to the entire **Certificate** unless otherwise stated

Institute Radioactive Contamination Exclusion Clause

This clause shall be paramount and shall override anything contained in this **Certificate** inconsistent therewith:

In no case shall this **Certificate** cover loss **Damage** liability or expense directly or indirectly caused by or contributed to or arising from;

- i) ionizing radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- ii) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation reactor or other nuclear assembly or nuclear component thereof
- iii) any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

Micro-Organism Exclusion Clause

This **Certificate** does not cover any loss, **Damage**, claim, cost, expenses or other sum directly or indirectly arising out of or relating to mould, mildew, fungus, spores or other micro-organism of any type, nature or description including but not limited to any substance whose presence poses an actual or potential threat to human health.

This Exclusion applies regardless whether there is;

- i) any physical loss or **Damage** to insured property
- ii) any **Defined Peril** or cause whether or not contributing concurrently or in any way sequence
- iii) any loss of use occupancy or functionality
- iv) any action required including but not limited to repair replacement removal cleanup abatement disposal relocation or steps taken to address medical or legal concerns

This Exclusion replaces and supersedes any provision in this **Certificate** that provides insurance, in whole or in part, for these matters.

Northern Ireland Overriding Exclusion

Notwithstanding anything within the **Certificate** or in any extensions thereof it is hereby declared and agreed that as an exclusion overriding all other terms (including the nature and terms of perils insured against) this **Certificate** does not cover loss or destruction of or **Damage** to any property in Northern Ireland or loss resulting there from caused by or happening through or in consequence directly or indirectly of;

- i) civil commotion
- ii) **Terrorism**

In any action suit or other proceedings where **Underwriters** allege that by reason of the provisions of this exclusion any loss, destruction or **Damage** or **Consequential Loss** is not covered by this **Certificate** the burden of proving that such loss is covered shall be upon the **Insured**.

Nuclear Energy Risks Exclusion Clause

This **Certificate** shall exclude Nuclear Energy Risks whether such risks are written directly and/or via Pools and/or Associations.

For the purpose of this **Certificate** Nuclear Energy Risks shall be defined as all first party and or third party insurances in respect of;

- i) nuclear reactors and nuclear power stations or plant.
- ii) any other premises or facilities whatsoever related to or concerned with:
 - a) the production of nuclear energy or
 - b) the production or storage or handling of nuclear fuel or nuclear waste
- iii) any other premises or facilities eligible for insurance by any local Nuclear Pool and/or Association.

Certificate Exclusions continued

The following Exclusions apply to the entire **Certificate** unless otherwise stated

Sonic Bangs

The insurance by this Policy does not cover Damage caused by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

Terrorism Exclusion Endorsement

Notwithstanding any provision to the contrary within this **Certificate** or any endorsement thereto it is agreed that this **Certificate** excludes loss, **Damage**, cost or expense of whatsoever nature directly or indirectly caused by, resulting from, arising out of or in connection with any act of **Terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss

For the purpose of this Endorsement an act of **Terrorism** means an act, including but not limited to use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear

This endorsement also excludes loss, **Damage**, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of **Terrorism**

If **Underwriters** allege that by reason of this exclusion, any loss, **Damage**, cost or expense is not covered by this **Certificate** the burden of proving the contrary shall be upon the **Insured**

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

War and Civil War Exclusion Clause

Notwithstanding anything to the contrary contained herein this **Certificate** does not cover loss or **Damage** directly or indirectly occasioned by happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

Certificate Exclusions continued

The following Exclusions apply to the entire **Certificate** unless otherwise stated

General Exclusions

- 1) **Damage** caused by or consisting of;
 - a) inherent vice, latent defect, gradual deterioration, wear and tear, frost, change in water table level, its own faulty or defective design or materials
 - b) the bursting by steam, pressure of a boiler, economiser, vessel, machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the **Insured** other than any boiler or economiser on the **Premises** used for domestic purposes, such as a hot water and/or central heating/ventilation system.
 - c) pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

But this shall not exclude subsequent **Damage** or subsequent loss resulting from **Damage** which itself results from a cause not otherwise excluded

- 2) **Damage** caused by or consisting of;
 - a) faulty or defective workmanship, operational error or omission on the part of the **Insured** or any of his **Employees**

but this shall not exclude;

- i) such **Damage** not otherwise excluded which itself results from a **Defined Peril**
 - ii) subsequent **Damage** which itself results from a cause not otherwise excluded
- b) acts of fraud or dishonesty by the **Insured's Employees**

but this shall not exclude such **Damage** not otherwise excluded which itself results from a **Defined Peril**

- 3) **Damage** caused by or consisting of;
 - a) corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects
 - b) change in temperature, colour, flavour, texture or finish
 - c) joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping in connection therewith
 - d) mechanical or electrical breakdown or derangement of the particular machine apparatus or equipment in which such breakdown or derangement originates
 - e) in respect of Sections 9 and 10 - the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunication services

But this will not exclude;

- i) such **Damage** not otherwise excluded which itself results from a **Defined Peril** or from any other accidental loss destruction or **Damage**
- ii) subsequent **Damage** which results from a cause not otherwise excluded

- 4) **Damage** resulting from theft (other than Sections 6&7) or attempted theft unless accompanied by forcible and violent entry into or exit from the **Building** or any attempt thereat as a result of theft, or any attempt thereat, following violence or threat of violence

Certificate Exclusions continued

- 5) Infidelity or dishonesty of the **Insured** or any of their **Employees** or other persons to whom **Property Insured** may be entrusted nor loss, destruction or **Damage** resulting from the **Insured** voluntarily parting with title or possession of any property if induced to do so by any fraudulent scheme, trick, device or false pretence or any unexplained loss or loss or shortage disclosed on taking inventory
- 6) In respect of Sections 1-8;
Damage caused by pollution or contamination but this shall not exclude destruction of or **Damage** to the **Property Insured** not otherwise excluded caused by:
 - a) pollution or contamination which itself results from a **Defined Peril**
 - b) a **Defined Peril** which itself results from pollution or contamination
- 7) In respect of Sections 9 and 10;
Damage resulting from pollution or contamination but this shall not exclude loss resulting from destruction of or **Damage** to property used by the **Insured** at the **Premises** for the purpose of the **Business** not otherwise excluded caused by:
 - a) pollution or contamination at the **Premises** which itself results from a **Defined Peril**
 - b) a **Defined Peril** which itself results from pollution or contamination
- 8) **Damage** caused by or consisting of;
 - b) Subsidence, ground heave or landslide unless resulting from an insured peril not otherwise excluded
 - c) normal settlement or bedding down of new structures
- 9) **Damage** caused by or consisting of or arising directly or indirectly from;
 - i. Disappearance, unexplained or inventory shortage, misfiling or misplacing of information
 - ii. in respect of Sections 9 and 10:-
 - I. erasure, loss, distortion or corruption of information on computer systems or other records, programs or software caused deliberately by rioters, strikers, locked-out workers, persons taking part in labour disturbances, or civil commotion or malicious persons
 - II. other erasure, loss, distortion or corruption of information on computer systems or other records programs or software unless resulting from a **Defined Peril** insofar as it is not otherwise excluded
- 10) In respect of Sections 1 and 2 - destruction of or **Damage** to a building or structure caused by its own collapse or cracking unless resulting from a **Defined Peril** in so far as it is not otherwise excluded
- 11) In respect of Sections 9 and 10 - loss resulting from destruction of or **Damage** to a building or structure used by the **Insured** at the **Premises** caused by its own collapse or cracking unless resulting from a **Defined Peril** in so far as it is not otherwise excluded
- 13) **Damage** in respect of movable property in the open, fences and gates by theft, wind, rain, hail, sleet, snow, flood or dust
- 14) **Damage** in respect of **Unoccupied Buildings** unless resulting from fire, lightning, aircraft or explosion
- 15) **Damage** in respect of;
 - a) glass (other than fixed **Glass**) china, earthenware, marble or other fragile or brittle objects
 - b) in respect of Sections 1 and 2 - curiosities or works of art other than such **Damage** caused by a **Defined Peril** and not otherwise excluded
- 16) Unless specifically mentioned as insured under Sections 1 or 2;
 - a) property or structures in course of construction or erection and materials or supplies in connection with all such property in course of construction or erection
 - b) land, roads, pavements, piers, jetties, bridges, culverts or excavations

Certificate Exclusions continued

- 17) In respect of Sections 1 and 2 - property which at the time of the happening of **Damage** is insured by or would but for the existence of this **Certificate** be insured by any marine Certificate or policies except in respect of any excess beyond the amount which would have been payable under the marine Certificate or policies had this insurance not been effected
- 18) In respect of Sections 1 and 2 - any property more specifically insured by or on behalf of the **Insured**
- 19) **Damage** or any other loss or expense whatsoever resulting or arising there from or any **Consequential Loss** directly or indirectly caused by or contributed to by or arising from;
- a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
 - b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
 - c) any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- 20) **Damage** or **Consequential Loss** directly or indirectly occasioned by or happening through or in consequence of **Computer Virus(es)** or from erasure or corruption or alteration of **Electronic Data**

Certificate Conditions

Alteration in Risk

Underwriters may avoid this **Certificate** after the commencement of this insurance there is any alteration in risk;

- a) by removal
- b) by change of occupation or use of the **Property Insured**
- c) whereby the risk of **Damage** accident or liability is increased
- d) the **Business** is wound up or carried on by a liquidator or receiver or permanently discontinued
- e) whereby the **Insured's** interest ceases except by will or operation of law

unless such alteration is admitted by the **Underwriters** in writing.

Arbitration

If any difference shall arise as to the amounts to be paid under this **Certificate** (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions. Where any difference is by this Condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against the **Underwriters**.

Asbestos Condition

- 1) This **Certificate** only insures asbestos physically incorporated in an insured building or structure, and then only provides indemnity in respect of that part of the asbestos which has been physically **Damaged** during the **Period of Insurance** by one of these Listed Perils;
Fire, lightning, explosion, aircraft, riot or civil commotion, earthquake, subterranean fire, storm or flood, escape of water, impact, sprinkler leakage, subsidence.

This coverage is subject to all limitations in the **Certificate** to which this endorsement is attached and in addition to each of the following specific limitations;

- a) the said building or structure must be insured under this **Certificate** for **Damage** by a Listed Peril.
- b) the Listed Peril must be the immediate sole cause of the **Damage** to the asbestos.
- c) the **Insured** must report to the **Underwriters** the existence and cost of the **Damage** as soon as practicable after the Listed Peril first **Damaged** the asbestos.

However this **Certificate** does not insure any such **Damage** first reported to the **Underwriters** more than 12 (twelve) months after the expiration or termination of the **Period of Insurance**.

This **Certificate** shall provide no cover (whether for physical **Damage** business interruption delay of repair or other consequential loss) in respect of;

- i) wear and tear or inherent defect, quality or vice in or of any asbestos
 - ii) any compliance with or breach of any legal or other duty or obligation (including without limitation any duty arising from any contract or statute, or any instruction, request or order of any court or governmental or regulatory authority) of any person in connection with the design manufacture installation use retention treatment management repair replacement or removal of any asbestos (**Damaged** or otherwise) or
 - iii) any asbestos which the Listed Peril has not physically **Damaged**.
- 2) Except as set forth in the foregoing Part A. of this endorsement, this **Certificate** does not insure asbestos or any interest relating thereto.

Average

If, at the time of any **Damage** to **Property Insured**, the **Sum Insured** specified on the **Schedule** by the relevant item is less than the full value of the **Property Insured** by that item, the amount payable by the **Underwriters** will be proportionately reduced.

Certificate Conditions continued

Cancellation

This **Certificate** may be cancelled at any time at the request of the **Insured** in writing to the Intermediary who effected the **Certificate**, and the premium hereon shall be adjusted on the basis of the **Underwriters** receiving or retaining the premium calculated at the Underwriters then current rates for short term insurance. Notwithstanding anything contained within the Survey Clause, this **Certificate** may also be cancelled by or on behalf of the **Underwriters** by 14 days notice given in writing to the Insured at his last known address, and the premium hereon shall be adjusted on the basis of the **Underwriters** receiving or retaining pro rata premium. Notice shall be deemed to be duly received in the course of the post if sent by pre paid letter-post properly addressed.

Claims – Insured’s Duties

On the happening of any event which may give rise to a claim the **Insured** shall;

- a) General - applicable to all Sections;
 - i) notify the **Underwriters** immediately
 - ii) take all practicable steps to recover property lost and otherwise minimise the claim
 - iii) inform the Police immediately if the loss or **Damage** is caused by thieves malicious persons or vandals or by riot civil commotion strikes or labour disturbances
 - iv) give all information and assistance the **Underwriters** may require in a timely manner
- b) Applicable to Sections 1-8;

Within 30 days or such further time as the **Underwriters** may in writing allow deliver to the **Underwriters** a written claim providing at the **Insured’s** own expense all details proofs and information regarding the cause and amount of **Damage** as the **Underwriters** may reasonably require together with details of any other insurances on any **Property Insured** by this **Certificate** and (if demanded) a statutory declaration of the truth of the claim and of any related matters

No claim under this Section shall be payable unless the terms of this condition have been complied with

- c) Applicable to Sections 9 and 10;
 - i) within 14 days after the expiry of the **Indemnity Period** or within such further time as the **Underwriters** may in writing allow at the **Insured’s** own expense deliver to the **Underwriters** a statement setting out particulars of the claim together with details of all other insurances covering any part of the **Damage** or resulting loss of rental income
 - ii) the **Insured** shall at their own expense also provide the **Underwriters** with such books of account and other business books vouchers invoices balance sheets and other documents proofs information explanations and other evidence as may reasonably be required by the **Underwriters** for the purpose of investigating or verifying such claim together with (if demanded) a statutory declaration of the truth of the claim and of any related matter

No claim under this Section shall be payable unless the terms of this condition have been complied with and in the event of non-compliance therewith in any respect any payment on account of the claim already made shall be repaid to the **Underwriters** immediately.

Claims - Underwriters Rights

The **Underwriters**;

- a) On the happening of **Damage** in respect of which a claim is made may without thereby incurring any liability or diminishing any of the **Underwriters** rights under this **Certificate** enter take or keep possession of the **Premises** where such **Damage** has occurred and take possession of or require to be delivered to the **Underwriters** any **Property Insured** and deal with such property for all reasonable purposes and in any reasonable manner

No property may be abandoned to the **Underwriters** whether taken possession of by the **Underwriters** or not.

- b) shall have full discretion in the conduct of any proceeding and in the settlement of any claim.

Change in Tenancy Clause

The **Insured** must advise the **Underwriters** of all changes in tenancy or occupation within the **Property Insured**.

Certificate Conditions continued

Conditions & Observance of Certificate Terms

Every Condition shall from the time the Condition attached apply and continue to be in force during the whole currency of this **Certificate** and non-compliance with any such Condition whether it increases the risk of **Damage** or not shall be a bar to any claim provided that whenever this **Certificate** is renewed a claim occurring during the renewal period shall not be barred by reason of a Condition not having being complied with at any time before the commencement of such period

The due observance and fulfilment of the terms, Provisions, Conditions, Special Clauses and Endorsements of this **Certificate** by the **Insured** in so far as they relate to anything to be done or complied with by the **Insured** will be a condition precedent to any liability of the **Underwriters** except insofar as is necessary to comply with the requirements of any legislation enacted in Great Britain Northern Ireland the Channel Islands or the Isle of Man relating to compulsory insurance of legal liability to **Employees**.

Conditions Precedent

The **Certificate** contains certain obligations with which the **Insured** must comply. These obligations are, each of them, **Conditions Precedent**. In the event that the **Insured** is in breach of a **Condition Precedent** at the time of a loss then **Underwriters** will have no obligation to indemnify the **Insured** in relation to any claim for that loss whether or not there is a causal connection between the loss, the claim and the breach.

E.U. Disclosure Clause

The Parties are free to choose the law applicable to this Insurance Contract. Unless specifically agreed to the contrary this insurance shall be subject to English Law.

Fraud

If any claim be in any respect fraudulent or if any fraudulent means or devices be used by the **Insured** or anyone acting on their behalf to obtain any benefit under this **Certificate** or if any **Damage** be occasioned by the wilful act or with the connivance of the **Insured** all benefit under this **Certificate** shall be forfeited.

Identification

This **Certificate** and the **Schedule** (which forms an integral part of this **Certificate**) shall be read together as one contract and words and expressions to which specific meanings have been attached in any part of this **Certificate** or of the **Schedule** shall bear such specific meanings wherever they may appear.

Misrepresentation and Misdescription

This **Certificate** shall be voidable in any event of misrepresentation, misdescription or non-disclosure in any material particular.

Non Invalidation Clause

The **Certificate** of insurance shall not be invalidated if there is a change in the use of the **Premises** which constitutes an increase in the risk of **Damage** which is unknown to or beyond the control of the **Insured** provided that, immediately the **Insured** becomes aware thereof they shall give notice to **Underwriters** and pay an additional premium if required.

Other Insurances and Average

- a) Applicable to Sections 1 - 8;
 - i) if at the time of any **Damage** there is any other insurance effected by or on behalf of the **Insured** covering any of the property **Damaged** the liability of the **Underwriters** hereunder shall be limited to its rateable proportion of such **Damage**
 - ii) if any other insurance shall be subject to any average (under insurance) condition this Section if not already subject to any Condition of Average shall be subject to Average in like manner
 - iii) if any other insurance is subject to any provision whereby it is excluded from ranking concurrently with this Section either in whole or in part or from contributing rateably the liability of the **Underwriters** hereunder shall be limited to that proportion of the **Damage** as the **Sum Insured** hereby bears to the value of the property.

- b) Applicable to Sections 9 and 10;

Certificate Conditions continued

If at the time of any **Damage** resulting in a loss under this Section there be any other insurance effected by or on behalf of the **Insured** covering such loss or any part of it the liability of the **Underwriters** hereunder shall be limited to its rateable proportion of such loss

Reasonable Precautions

The **Insured** shall;

- a) take all reasonable precautions to prevent occurrences which may give rise to **Damage** or accidents
- b) take all reasonable steps to comply with statutory requirements, obligations and regulations imposed by any authority
- c) take immediate steps to make good or remedy any defect or danger which becomes apparent or take such additional precautions as circumstances may require.

Reinstatement

If any **Property Insured** by Sections 1 – 8 is to be reinstated or replaced by the **Underwriters** the **Insured** shall at their own expense provide all such plans, documents, books and information as may be reasonably required. The **Underwriters** shall not be bound to reinstate exactly but only as circumstances permit and in a reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than its **Sum Insured**.

Several Liability Notice

The subscribing **Underwriters** obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing **Underwriters** are not responsible for the subscription of any co subscribing Underwriter who for any reason does not satisfy all or part of its obligations.

Subrogation

Any claimant under this **Certificate** shall at the request and at the expense of the **Underwriters** take and permit to be taken all necessary steps for enforcing rights against any other party in the name of the **Insured** before or after any payment is made by the **Underwriters**

The **Underwriters** shall be entitled to take over and conduct in the name of the **Insured** the defence or settlement of any claim or to prosecute in the name of the **Insured** at its own expense and for its own benefit any claim for indemnity or damages or otherwise.

Certificate Conditions Precedent

Electrical Installations

It is a **Condition Precedent** to liability that the **Insured** must hold an electrical installation condition report (EICR) that:

- i) at the inception of this **Certificate** and any subsequent renewal is less than three years old and issued by a registered contractor approved by one of the following:
 - i. National Inspection Council for Electrical Installation Contractors (NICEIC)
 - ii. Electrical Contractors Association (ECA)
 - iii. National Association of Professional Inspectors and Testers (NAPIT)
 - iv. Electrical Self Assessment (ELCSA)
- ii) at the time of **Damage** is less than three years old and issued by a registered contractor approved by one of the following:
 - i. National Inspection Council for Electrical Installation Contractors (NICEIC)
 - ii. Electrical Contractors Association (ECA)
 - iii. National Association of Professional Inspectors and Testers (NAPIT)
 - iv. Electrical Self Assessment (ELECSA)
- iii) has had category C1 or C2 deficiencies or defects remedied and documented by the approved contractor.

Electrical – Portable Appliance Testing

It is a **Condition Precedent** to liability that the **Insured**:

- a) must have a system for recording and testing equipment
- b) must hold a certificate verifying compliance with current legislation that:
 - i) at the inception of this **Certificate** and any subsequent renewal has been issued by a contractor approved by one of the following:
 - v. National Inspection Council for Electrical Installation Contractors (NICEIC)
 - vi. Electrical Contractors Association (ECA)
 - vii. National Association of Professional Inspectors and Testers (NAPIT)
 - viii. Electrical Self Assessment (ELCSA)
 - ii) at the time of **Damage** has been issued by a registered contractor approved by one of the following:
 - v. National Inspection Council for Electrical Installation Contractors (NICEIC)
 - vi. Electrical Contractors Association (ECA)
 - vii. National Association of Professional Inspectors and Testers (NAPIT)
 - viii. Electrical Self Assessment (ELECSA)
- c) must remove any equipment that has failed testing from the **Premises** unless it has been repaired by a qualified technician

Certificate Conditions Precedent continued

Heat Application

It is a **Condition Precedent** to liability that if the use or application of heat (as defined below) takes place on the **Premises** the following precautions and procedures are complied with by the Insured and/or his contractor(s) on each occasion;

- a) application of heat by means of electric, oxyacetylene or other welding or cutting equipment or angle grinders, blow lamps, blow torches, hot air guns or hot air strippers;
 - i) the area in the immediate vicinity of the work (including in the case of work carried out on one side of a wall or partition, the opposite side of the wall or partition) is cleared of all loose combustible material; other combustible material is covered by sand or over-lapping sheets or screens of non-combustible material
 - ii) at least two adequate and appropriate portable fire extinguishers, in proper working order, are kept in the immediate area of the work being undertaken and used immediately smoke or smoldering or flames are detected
 - iii) blow lamps and blow torches are filled in the open and are not lit until immediately before use and are extinguished immediately after use
 - iv) a person is appointed by the **Insured or the contractor** will watch for signs of smoke or smoldering or flames and will take immediate steps to extinguish any smoldering or flames discovered during works and for a period of 60 minutes after works have finished
- b) use of asphalt, bitumen, tar, pitch or lead heaters;
 - i) the heating is carried out in the open in a vessel designed for the purpose and, if carried out on a roof, the vessel is placed on a non-combustible heat insulating base
- c) The Contractor(s) using the application of heat on the Premises shall have in place appropriate Public Liability insurance with an indemnity limit of no less than £2m and shall supply a copy of the insurance certificate to the Insured prior to commencement of work.

Minimum Security Requirements (A)

- a) It is a **condition precedent** to liability under this **Certificate** that all protections provided for the safety of the **Premises** shall be maintained in good order and shall not be withdrawn altered or varied without the prior consent of the **Underwriters** and shall be in full and effective operation when the **Premises** are closed for business or left unattended, and at all other appropriate times
- b) It is a **condition precedent** to liability under this **Certificate** that any alarm and/or system forming part of the protections shall be maintained in full and efficient working order under a contract to provide both corrective and preventive maintenance with the installing company or in accordance with the manufacturer's recommendations
- c) It is a **condition precedent** to liability under this **Certificate** that;
 - (i) All external entry/exit doors are fitted with at least 5 lever mortice deadlocks complying to BS3621 or fitted with locking bars secured by five lever close shackle padlocks
 - (ii) All Windows and skylights that are accessible from the ground or basement level or from adjoining roofs,porches,walls,fire escapes or downpipes are either barred, grilled or fitted with key operated window locks
- d) In the event of the **Insured** receiving any notification;
 - i) that the police authority attendance or any contractually provided attendance in response to alarm signals and/or calls from any alarm system may be withdrawn or the level of response reduced or delayed or
 - ii) from a Local Authority or Magistrate imposing any requirement for abatement of nuisance in respect of any alarm system or
 - iii) that any alarm system cannot be returned to or maintained in full working orderthen with immediate effect:
 - 1) it shall be a **condition precedent** to liability under this **Certificate** that the **Insured** shall notify **Underwriters** as soon as possible, at which time **Underwriters** shall reserve the right to vary terms or cancel cover provided under this **Certificate**

- 2) the **Insured** shall be responsible for the first 20% of any loss destruction or **Damage** by theft or attempted theft subject to a minimum contribution of GBP2,500
- 3) it shall be a **condition precedent** to liability under this **Certificate** that the **Insured** shall comply with any requirements that **Underwriters** impose in response to such notice.

If the **Insured** fails to comply with any of the above conditions any claim for loss or **Damage** will not be paid

Portable Heating

It is a **condition precedent** to liability that there is no use or storage on the Premises of paraffin or portable electric or gas heaters or containers unless specifically agreed in writing by the Underwriters prior to such use or storage

Unattended Machinery

It is a **condition precedent** to liability that no item of **Machinery, Plant or Equipment** is left operating outside **Business Hours**.

Unoccupancy

It is a **condition precedent** to liability that when any **Building** (or part thereof) is untenanted or **Unoccupied**;

- a) all gas, water and electricity mains supplies are kept disconnected (except those supplies required to maintain automatic sprinkler installations, lighting or alarm systems which are to remain in operation for security or fire protection purposes)
- b) all water tanks, apparatus pipes and heating other than those connected to automatic sprinkler systems are drained down
- c) all reasonable precautions are taken to ensure that the buildings are secure against entry by intruders including:
 - i) securely locking and fastening all doors and windows
 - ii) any letter boxes being sealed
 - iii) setting all security and alarm protections in full operation and ensuring that the protections are in proper working order
- d) during the currency of this **Certificate** any loose or moveable combustible items or materials other than fixtures and fittings are cleared from the **Buildings** and removed from the **Premises**
- e) any waste or refuse is cleared from the **Buildings** and removed from the **Premises** at least once a week
- f) tanks containing fuel or other flammable liquids are drained and purged within 7 days of the **Buildings** becoming **Unoccupied**
- g) the **Buildings** are inspected at least once every 7 days by the **Insured** or the **Insured's** nominee in order to inspect the **Premises** both internally and externally and to carry out any work necessary to maintain the above security arrangements. A record will be kept of such inspections
- h) notice is to be given to **Underwriters** when any untenanted or **Unoccupied** building (or part thereof) is again occupied

Underwriters shall not be liable for any **Damage** or **Injury** arising out of or in connection with any works of alteration, demolition, refurbishment or renovation.

Defined Perils are hereby restricted to fire, lightning, aircraft and explosion only.

Certificate Endorsements

(Applicable only if specified in the **Schedule**)

CP1 - Burning of Waste in the Open

It is a **condition precedent** to liability that no burning of waste shall be carried out at the **Premises**.

CP2 - Composite Panels

It is a **condition precedent** to liability that in respect of any **Building** containing composite panels that;

- a) suitable fire extinguisher appliances are supplied in all cooking areas
- b) ducting, conduit wiring and hot flues are adequately protected within fire resistant sleeves where passing through composite panels
- c) **at least weekly inspections are undertaken by the Insured to check for damage to composite panels or panel joints.** Any defects found to be rectified without delay or replaced by a panel with a non-combustible core within 7 days
- d) no repairs will be made to composite panels that involve welding, grinding, cutting or other obvious ignition sources
- e) all heat sources are kept at least 2 metres from any composite panelling or such panelling to be of a non-combustible core
- f) no external storage of combustible stock, packaging pallets, waste or waste skips or bins within 10 metres of the **Buildings**
- g) any work involving the application of heat will only be carried out by a qualified Contractor and the **Insured** is to ensure the Contractor has Public Liability Insurance in force with an indemnity limit of not less than £2m and shall confirm same through sight of certificate of insurance prior to commencement of work. Subrogation rights against such Contractor shall not be waived by the **Insured**. The following conditions precedent to liability apply:
 - i) the area in which work is to be carried out shall be adequately cleared and combustible materials shall be removed to a distance not less than 6 metres from the area of proposed work
 - ii) if work is to be carried out overhead then the area beneath shall be similarly cleared and all combustible materials removed
 - iii) suitable fire extinguisher with a capacity of not less than 9 litres shall be kept available for immediate use
 - iv) blow lamps and blow torches shall be lit in as short a time as possible before use and extinguished immediately after use
 - v) lighted blow lamps and torches shall not be left unattended
 - vi) half an hour after each period of work a thorough examination shall be made of and in the area in which works have been undertaken
 - vii) if work is to be carried out in the vicinity of composite/sandwich panels then such panels must be protected by non-combustible blankets drapes or screens.

CP3 – Cost Price Basis Clause

The amount that **Underwriters** may pay in respect of **Stock** is restated as follows:

The amount **Underwriters** pay will be based on the cost of replacing **Stock** at the cost price of the item(s) as recorded in the **Insured's** stock books.

CP4 - Daily Waste Condition

It is a **condition precedent** to liability that all combustible trade waste and refuse is removed from the **Buildings** every night.

Certificate Endorsements continued

(Applicable only if specified in the **Schedule**)

CP6 – External Smoking

It is a **condition precedent** to liability that smoking is prohibited throughout the **Premises** except in specifically designated external areas, and suitable notices to this effect are displayed in prominent positions. Metal receptacles are provided for waste materials and are kept at least 2 metres from the **Buildings**.

CP7 - First Loss Average Clause

When the **Sum Insured** is shown as being First Loss in the **Schedule** the applicable item of this Section is subject to the Condition of Average (First Loss), that is to say, if the total value of all property covered by the item shall at the time of any loss be greater than the value notified by the **Insured**, then the **Insured** shall be entitled to recover hereunder only such proportion of the said loss as the said notified value bears to the total value, up to but not exceeding the **Sum Insured** for the item.

CP8 - Fork Lift Truck

It is a **condition precedent** to liability where fork lift trucks are recharged at the **Premises** that;

- a) combustible materials are kept a minimum of 5 metres clear of the recharging area
- b) no recharging of fork lift trucks takes place whilst the **Premises** are left unattended.

CP9 - Frying and Cooking Equipment

It is a **condition precedent** to liability that;

- a) all frying and other cooking ranges, equipment, flues and exhaust ducting is kept securely fixed and free from contact with combustible materials
- b) all extraction hoods, canopies, filters and grease traps are cleaned at least every 2 weeks
- c) all extraction ducts are cleaned monthly and maintained and checked at least once every 6 months by a specialist contractor
- d) the record of such cleaning and servicing of the extraction ducts is kept elsewhere other than at the **Premises** and will be made available for inspection at any time
- e) frying equipment will be installed used and maintained in accordance with the manufacturer's instructions
- f) multi purpose fire extinguishers and at least one fire retardant blanket which conforms to the relevant British Standard suitable for extinguishing oil and fat fires is kept in close proximity to the working area of the range and maintained ready for use
- g) frying ranges are not left unattended whilst in use
- h) all naked flames (other than pilot lights) and all electrical elements are turned off at the close of the working day.

CP10 - Metal Workers Waste

It is a **condition precedent** to liability that all oily and/or greasy waste and used cleaning cloths which remain in the **Buildings** overnight are kept in metal receptacles with metal lids and removed from the **Buildings** at least once a week.

Certificate Endorsements continued

(Applicable only if specified in the **Schedule**)

CP11 - Minimum Security Requirements (B)

It is a **condition precedent** to liability that **Damage** caused by theft or attempted theft is not covered unless;

- 1) the Minimum Security Requirements (A) as stated in the **Certificate** Conditions is complied with
- 2) the intruder alarm is installed and put into full and effective operation at night and whenever the **Premises** are closed for business or left unattended. **Underwriters** will not regard the intruder alarm as effective if the specification or system record provides for a telephone line, direct line or central monitoring station warning system and the **Insured** have had notice of the withdrawal of the Police, telephone or central monitoring station service and such service has actually been withdrawn
- 3) the intruder alarm is maintained under contract by a company which is either included in the official list of recognised firms of the National Security Inspectorate (NSI), or the Security System and Alarm Inspections Board (SSAIB) or approved by **Underwriters**
- 4) all keys of the intruder alarm are removed from the **Premises** at night and whenever they are closed for business or left unattended. Where the **Insured** or an **Employee** occupies part of the **Premises** for residential purposes, the keys must be removed from the **Business** part of the **Premises**.

CP12 - Minimum Security Requirements (C)

It is a **condition precedent** to liability that **Damage** caused by theft or attempted theft is not covered unless;

- 1) the Minimum Security Requirements (A) as stated in the **Certificate** Conditions is complied with
- 2) the intruder alarm provides for a police telephone line, direct line or central monitoring station warning system installed and put into full and effective operation at night and whenever the **Premises** are closed for business or left unattended. **Underwriters** will not regard the intruder alarm as effective if the **Insured** have had notice of the withdrawal of such service and such service has actually been withdrawn
- 3) the intruder alarm is maintained under contract by a company which is either included in the official list of recognised firms of the National Security Inspectorate (NSI), or the Security System and Alarm Inspections Board (SSAIB) or approved by **Underwriters**
- 4) all keys of the intruder alarm are removed from the **Premises** at night and whenever they are closed for business or left unattended. Where the **Insured** or an **Employee** occupies part of the **Premises** for residential purposes, the keys must be removed from the **Business** part of the **Premises**.

CP13 - Obsolete Building Clause

The basis of valuation for the purpose of average shall be;

- a) the cost of purchasing a similar building to the insured building plus an allowance for removal of debris costs or
- b) the cost of erecting a modern building providing comparable facilities to the insured building plus an allowance for professional fees, removal of debris costs and the additional expenditure which might arise out of local authorities' requirements.

CP14 - Paint Spraying

It is a **condition precedent** to liability that all spraying of paints or varnishes with a flash point below 32 degrees centigrade are carried out in an area enclosed by non-combustible materials and extraction to the open air and any electrical installation including that for extraction is of flameproof design and any heating is of the black-heat type and with fully enclosed elements.

It is also a **condition precedent** to liability that;

- a) only one days supply of flammables is kept in the spraying area
- b) all other flammables are kept in a designated enclosed steel bin or if the stocks of same are substantial they are kept in a store with high and low level vents to the open air or forced flameproof extractor at floor level
- c) all lighting is flameproof
- d) smoking is prohibited in the areas where processes are carried and signs to this effect are prominently displayed.

Certificate Endorsements continued

(Applicable only if specified in the **Schedule**)

CP15 - Pipe Lagging

It is a **condition precedent** to liability that either;

- a) there is a heating system linked to a frost-stat and a minimum temperature of 4°C is maintained between 31st October and 31st March or
- b) all pipes are adequately lagged to prevent freezing.

CP16 - Planning Permission

In the event that the **Insured's** application for planning permission/consent is refused or withdrawn by the Local Planning Authority, notwithstanding anything contained within the *Cancellation* condition, all coverage under this **Certificate** shall be terminated with immediate effect and the premium hereon shall be adjusted on the basis of the **Underwriters** receiving or retaining pro rata premium.

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CP18 - Residential Tenants

It is a **condition precedent** to liability that any Residential portion(s) of the **Premises** are not let or used by;

- a) local authorities or the department of social security
- b) students
- c) asylum seekers.

CP19 - Roof Maintenance

It is a **condition precedent** to liability in respect of **Damage** by storm, tempest and flood that;

- a) any flat felted roof portion of the **Premises** shall have been inspected at least once every 2 years by a qualified builder or property surveyor
 - b) all gutters are inspected and cleared every 6 months
- and any defects brought to light by these inspections shall be repaired immediately.

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CP20 - Stillage

It is a **condition precedent** to liability that all **Stock** stored on the **Premises** is stored on racks, shelves or stillage not less than 15 centimetres (6 inches) above floor level.

CP21 - Storage of Combustible Materials in the Open

It is a **condition precedent** to liability that no combustible materials are externally stored within 10 metres of the **Buildings** outside business hours.

Certificate Endorsements continued

(Applicable only if specified in the **Schedule**)

CP22 - Subsidence Ground Heave and Landslip Extension

Notwithstanding *Exclusions 7(a) and 7(b)* the insurance by Sections 1 or 2 extends to cover **Damage** caused by Subsidence or Ground Heave of any part of the site on which the property stands or Landslip excluding;

- a) the first GBP 1,500 of each and every loss after the application of any Condition of Average
- b) **Damage** to yards, car parks, roads, pavements, walls, gates and fences unless also affecting a **Building**
- c) **Damage** caused by or consisting of:-
 - i) the normal settlement or bedding down of new structures
 - ii) the settlement or movement of made-up ground
 - iii) coastal or river erosion
 - iv) defective design or workmanship or the use of defective materials
 - v) an insured peril not otherwise excluded
- d) **Damage** which originated prior to the inception of this cover
- e) **Damage** resulting from;
 - i) demolition, construction, structural alteration or repair of any property or
 - ii) groundwork or excavation at the **Premises**

Special Conditions

Insofar as this insurance relates to **Damage** caused by Subsidence, Ground Heave or Landslip;

- a) The **Insured** shall notify the **Underwriters** immediately they become aware of any demolition, groundwork, excavation or construction being carried out on any adjoining site
- b) The **Underwriters** shall then have the right to vary the terms or cancel this cover.

CP23 - Survey Clause

Cover hereon is strictly subject to receipt by **Underwriters** of a satisfactory survey carried out by a JRP authorised surveyor within 30 days of the inception date of this insurance.

If the survey has not been carried out within 30 days of inception cover will cease immediately unless an extension of the period has been agreed by the **Underwriters**.

The **Underwriters** reserve the right to cancel this insurance with immediate effect or impose additional terms, conditions and exclusions and/or revise the premium rate upon receipt of the survey.

The **Insured** shall implement survey requirements within the period specified by the **Underwriters** and continue to implement such requirements during the whole currency of the policy and following any renewal unless otherwise agreed by the **Underwriters**.

If the **Insured** fails to implement the requirement(s) within the period(s) specified by the **Underwriters** then all coverage hereunder shall terminate immediately unless an extension to the period(s) has been agreed by the **Underwriters**.

In the event termination occurs due to this endorsement a return premium will be calculated on a pro-rata basis less the cost of the survey up to a maximum of £500.00 (or equivalent currency).

Certificate Endorsements continued

(Applicable only if specified in the **Schedule**)

CP24 - Terrorism Extension

This Insurance is extended for the **Period of Insurance** stated in the **Schedule** to include;

- a) loss of or **Damage to Property Insured** at the **Premises**, as stated in the **Schedule** to this Insurance, situated in the United Kingdom other than Northern Ireland (meaning England and Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987) and
- b) where applicable under this Insurance **Consequential Loss** arising from business interruption,

the proximate cause of which is an Act of Terrorism duly certified as such by Her Majesty's Government or HM Treasury or any successor or other relevant authority

provided always that the Terrorism Insurance provided under this Extension is

- A limited to loss or **Damage** occasioned by or happening through or in consequence of acts of persons acting on behalf, of or in connection with any, organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of Her Majesty's Government in the United Kingdom or any other government de jure or de facto

In any action suit or other proceedings where the **Underwriters** allege that any loss or **Damage** is not covered by this Extension the burden of proving that such loss or **Damage** is covered shall be upon the **Insured**

- B not applicable to;

- 1) any land or building of which any part is
 - a) insured in the name of an individual; or
 - b) occupied as a private residence, or owned or occupied in the name of an individual, unless
 - i) the part so occupied/owned is less than 80% of the land or building as a whole; and
 - ii) the proportion of such land or building which is commercially occupied is more than 20%; and
 - iii) any part which is occupied as a private residence, or owned or occupied in the name of an individual, is insured
 - under the same **Certificate** to which this Extension applies and which otherwise insures the part which is not so occupied, or owned or occupied, or
 - separately, but in any event not in the name of an individual

(where any person holds or owns flats or houses insured hereunder as a trustee pursuant to the terms of a trust, or by way of a business as a sole trader, such person shall not be construed as an 'individual' for the purposes of this proviso B.1, unless such person occupies any such flat – not including a block of flats - or house as a private residence)

- 2) any Nuclear Installation or Nuclear Reactor

Nuclear Installation

Nuclear Installation means any installation of such class or description as may be prescribed by regulations made by the relevant Secretary of State from time to time by statutory instrument, being an installation designed or adapted for;

a) the production or use of atomic energy

b) the carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiations

or

c) the storage processing or disposal of nuclear fuel or bulk quantities of other radioactive matter, being matter which has been produced or irradiated in the course of the production or use of nuclear fuel.

Nuclear Reactor

Nuclear Reactor means any plant (including any machinery equipment or appliance whether affixed to land or not) designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons.

- C not subject to any of the excluded perils specified in this Insurance other than those applying specifically in respect of the Terrorism Insurance provided under this Extension as stated in E and F below
- D subject otherwise to the terms conditions exclusions deductibles and limits of this Insurance except as expressly varied hereby

- E subject to the exclusion of war and allied risks, defined as any loss whatsoever occasioned by riot civil commotion war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

Certificate Endorsements continued

(Applicable only if specified in the **Schedule**)

CP24 - Terrorism Extension continued

- F subject to the exclusion of digital or cyber risks, defined as any loss whatsoever directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from;
- 1) **Damage** to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software) and whether the property of the **Insured** or not, where such **Damage** is caused by Virus or Similar Mechanism or Hacking or Denial of Service Attack or
 - 2) **Consequential Loss** directly or indirectly caused by or arising from Virus or Similar Mechanism or Hacking or Denial of Service Attack.

Virus or Similar Mechanism

Virus or Similar Mechanism means program code programming instruction or any set of instructions intentionally constructed with the ability to **Damage**, interfere with or otherwise adversely affect computer programs data files or operations, whether involving self-replication or not. The definition of Virus or Similar Mechanism includes but is not limited to Trojan horses worms and logic bombs.

Hacking

Hacking means unauthorised access to any computer or other equipment or component or system or item which processes stores or retrieves data, whether the property of the **Insured** or not.

Denial of Service Attack

Denial of Service Attack means any actions or instructions constructed or generated with the ability to **Damage** interfere with or otherwise affect the availability of networks network services network connectivity or information systems. Denial of Service Attacks include, but are not limited to the generation of excess traffic into network addresses the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks;

and provided that the **Underwriters** liability in respect of all losses arising out of any one occurrence and, where applicable under this Insurance, in the aggregate in any one **Period of Insurance** shall not exceed the limits as otherwise specified in this Insurance.

Irrespective of the currency in which this Insurance is expressed, the limit of liability and the premium for the Terrorism Insurance effected by this Extension will be determined in sterling.

Special Conditions

The Terrorism Insurance provided under this Extension shall not apply to;

- a) any Long Term Agreement / Undertaking to which this Insurance is subject
- b) any terms in this Insurance that provide for adjustments of premium based upon declarations on expiry or during the **Period of Insurance**
- c) any aggregate limit contained in this Insurance regarding the amount to be borne by the **Insured** as a result of the operation of a deductible

Special Provision

Notwithstanding anything stated herein to the contrary, this Terrorism Extension applies also to any **Property Insured** at the **Premises**, as stated in the **Schedule** to this Insurance, which is insured in the name of an individual and is occupied as a private residence, other than in respect of any loss whatsoever or any expenditure resulting or arising there from or any **Consequential Loss** directly or indirectly caused by or contributed to by or arising from;

- a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- b) chemical and/or biological and/or radiological irritants contaminants or pollutants.

Certificate Endorsements continued

CP25 - Thatch

It is a **condition precedent** to liability that;

- a) all chimneys to solid-fuel stoves, boilers and open fires are kept in a good state of repair and that they are professionally cleaned once a year before winter
- b) all old thatch and thatching is burnt at a distance of more than 100 metres from the **Premises**
- c) no naked flames or tools producing naked flames be present in the attic or loft space at any time.

CP27 - Unoccupancy

It is a **Condition Precedent** to liability that when any building (or part thereof) are **Unoccupied**;

- a) all gas, water and electricity mains supplies are kept disconnected (except those supplies required to maintain automatic sprinkler installations, lighting or alarm systems which are to remain in operation for security or fire protection purposes)
- b) all water tanks, apparatus, pipes and heating other than those connected to automatic sprinkler systems are drained down
- c) the following minimum protections are taken:
 - i) all doors and windows are securely locked and fastened
 - ii) any letter boxes are sealed
 - iii) all security and alarm protections are set in full operation and are in proper working order
- d)
 - i) When the **Premises** first become **Unoccupied** and at the start of each period of insurance the **Insured** or the **Insured's** nominee must carry out a detailed inspection of all doors, windows and other access points to ensure that they are secure against unauthorised entry and document both the inspection and any action required.
 - ii) Thereafter, the **Insured** or the **Insured's** nominee must inspect the **Premises** every seven days, keeping a written record, and if the measures taken have proved inadequate to keep the property secure, improvements must be made and documented.
 - iii) If illegal entry or attempt thereat is detected more than three times in any one **Period of Insurance**, immediate notice must be given to **Underwriters**
- e) during the currency of this **Certificate** any loose or moveable combustible items or materials other than fixtures and fittings are removed from the **Premises**
- f) any waste or refuse is cleared from the **Buildings** and removed from the **Premises** at least once a week
- g) the **Buildings** are inspected at least once every 7 days by the **Insured** or the **Insureds** nominee in order to inspect the **Premises** both internally and externally and to carry out any work necessary to maintain the above security arrangements. A record will be kept of such inspections
- h) notice is to be given to **Underwriters** when any untenanted or **Unoccupied** building (or part thereof) is again occupied
- i) **Defined Perils** are hereby restricted to fire lightning aircraft and explosion only.

Certificate Endorsements continued

CP28 - Unoccupancy - Wider Perils

It is a **Condition Precedent** to liability that when any building (or part thereof) are **Unoccupied**;

- a) all gas, water and electricity mains supplies are kept disconnected (except those supplies required to maintain automatic sprinkler installations, lighting or alarm systems which are to remain in operation for security or fire protection purposes)
- b) all water tanks, apparatus, pipes and heating (except those required to maintain fully functional automatic sprinkler systems) are drained down
- c) The following minimum protections are taken:
 - i) all doors and windows are securely locked and fastened
 - ii) any letter boxes are sealed
 - iii) all security and alarm protections are set in full operation and are in proper working order
- d)
 - i) When the **Premises** first become **Unoccupied** the **Insured** or the **Insured's** nominee must carry out a detailed inspection of all doors, windows and other access points to ensure that they are secure against unauthorised entry and document both the inspection and any action required.
 - ii) Thereafter, the **Insured** or the **Insured's** nominee must inspect the **Premises** every seven days, keeping a written record, and if the measures taken have proved inadequate, improvements must be made and documented.
 - iii) If illegal entry or attempt thereat is detected more than three times in any one **Period of Insurance**, immediate notice must be given to **Underwriters**
- e) during the currency of this **Certificate** any loose or moveable combustible items or materials other than fixtures and fittings are cleared from the **Buildings** and removed from the **Premises**
- f) any waste or refuse is cleared from the buildings and removed from the **Premises** at least once a week
- g) tanks containing fuel or other flammable liquids are drained and purged within 7 days of the **Buildings** becoming **Unoccupied**
- h) the **Buildings** are inspected at least once every 7 days by the **Insured** or the **Insureds** nominee in order to inspect the **Premises** both internally and externally and to carry out any work necessary to maintain the above security arrangements. A record will be kept of such inspections
- i) notice is to be given to **Underwriters** when any untenanted or **Unoccupied** building (or part thereof) is again occupied

Defined Perils are hereby restricted to fire, lightning, explosion, aircraft or other aerial devices or articles dropped there from, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons, earthquake, storm, flood or impact by any road vehicle or animal, falling trees, branches and falling aerials.

Underwriters shall not be liable for any **Damage** or **Injury** arising out of or in connection with any works of alteration, demolition, refurbishment or renovation.

Certificate Exclusion 12 is hereby deleted.

Defined Perils are hereby restricted to fire, lightning, explosion, aircraft or other aerial devices or articles dropped there from, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons, earthquake, storm, flood, impact by any road vehicle or animal, falling trees, branches and falling aerials.

CP29 - Use of Heat

It is a **condition precedent** to liability that the following precautions and procedures are complied with on each occasion of the use or application of heat (as defined below) taking place on the **Premises**;

- a) application of heat by means of electric oxyacetylene or other welding or cutting equipment or angle grinders, blow lamps, blow torches, hot air guns or hot air strippers;
 - i) the area in the immediate vicinity of the work (including in the case of work carried out on one side of a wall or partition, the opposite side of the wall or partition) is cleared of all loose combustible material; other combustible material is covered by sand or over-lapping sheets or screens of non-combustible material
 - ii) at least 2 adequate and appropriate portable fire extinguishers, in proper working order, are kept in the immediate area of the work being undertaken and used immediately smoke or smouldering or flames are detected
 - iii) a fire safety check of the working area is made approximately 60 minutes after the completion of each period of work and immediate steps taken to extinguish any smouldering or flames discovered
 - iv) blow lamps and blow torches are filled in the open and are not lit until immediately before use and are extinguished immediately after use
 - v) a person is appointed by the **Insured** to act as an observer to watch for signs of smoke or smouldering or flames
- b) use of asphalt, bitumen, tar, pitch or lead heaters the heating is carried out in the open in a vessel designed for the purpose and, if carried out on a roof, the vessel is placed on a non-combustible heat insulating base.
- c) The Contractor(s) using the application of heat on the Premises shall have in place applicable Public Liability insurance with an indemnity limit of no less than £2m and shall supply a copy of the insurance certificate to the Insured prior to the commencement of work

CP30 - Weekly Waste

It is a **condition precedent** to liability that all combustible trade waste and refuse is swept up daily and kept in bags or bins and removed from the **Buildings** at least once a week.

Complaints Procedure

If You have any questions or concerns about Your Policy or the handling of a claim You should, in the first instance, contact the Insurance Broker who arranged this Policy for You.

Please quote Your Policy number in all correspondence so that Your concerns may be dealt with speedily.

If Your Insurance Broker is unable to resolve the complaint to Your satisfaction by close of business the following day and Your complaint relates to a claim then You should contact:

The Complaints Manager
ERGO Versicherung AG, UK Branch
4th Floor,
35 Newhall Street,
Birmingham,
B3 3PU
Phone 0121 200 5822
Fax 0121 236 2889

If Your Insurance Broker or ERGO Versicherung AG, UK Branch remain unable to resolve the complaint to Your satisfaction then You may also have the right to refer Your complaint to:

The Financial Ombudsman Service
Exchange Tower,
London,
E14 9GE
Phone 0800 234 567

Further information is available from them and on www.financial-ombudsman.org.uk

Your rights as a customer to take legal action are not affected by the existence or use of the complaints procedure mentioned above. However the Financial Ombudsman Service will not adjudicate on any cases where litigation has commenced.

Financial Services Register

The Financial Services Register can be checked by visiting the Financial Conduct Authority website on www.fca.org.uk or by calling 0800 111 6768

Financial Services Compensation Scheme (FSCS)

ERGO Versicherung AG, UK Branch is covered by the FSCS. This means that You may be entitled to compensation from the scheme in the unlikely event that ERGO Versicherung AG, UK Branch cannot meet its obligations. Further details can be obtained from FSCS, 10th Floor, Beaufort House, 15 St Botolph Street, London, EC3A 7QU Tel: 0207 741 4100 Fax: 0207 741 4101 or www.fscs.org.uk

Authorisation and Regulation

ERGO Versicherung AG is a German insurance company with its headquarters at Victoriaplatz 2, 40477 Düsseldorf. Registered No: HRB36466. UK Branch registered in England and Wales, Registration No. BR016401. Registered Office: 55 King William Street, London, EC4R 9AD.

ERGO Versicherung AG, UK Branch is authorised by Bundesanstalt für Finanzdienstleistungsaufsicht and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority. Details about the extent of Our regulation by the Financial Conduct Authority and Prudential Regulation Authority are available from Us on